

Legislative Council

Tuesday, 22 September

THE PRESIDENT (Hon Clive Griffiths) took the Chair at 3.30 pm, and read prayers.

FINANCIAL ADMINISTRATION AND AUDIT ACT

Report Tabling: Extension of Time

THE PRESIDENT: The following notifications of extension of time for the tabling of annual reports for the 1986-87 year have been granted under section 70 of the Financial Administration and Audit Act --

The Minister for Aboriginal Affairs --

Annual report of the Department of Aboriginal Sites.

The Minister for Parliamentary and Electoral Reform --

Chief Electoral Officer reporting on performance indicators

The Minister for Conservation and Land Management --

Annual report of the Department of Conservation and Land Management.

I table the relevant documents.

(See paper No 356.)

CRIMINAL INVESTIGATION (EXTRA-TERRITORIAL OFFENCES) BILL

Second Reading

HON J.M. BERINSON (North Central Metropolitan -- Attorney General) [3.35 pm]: I move --

That the Bill be now read a second time.

This Bill is part of a legislative scheme for reciprocal legislation to allow search warrants to be issued and executed in one State or Territory in respect of an offence committed in another State or Territory. At present a search warrant issued in one State has no authority outside that State and can only be issued in relation to a crime committed in that State. In respect of an offence committed in Western Australia, a difficulty therefore arises in obtaining a search warrant in another State to carry out investigations in that other State in relation to the Western Australian offence.

This Bill arises as the result of an agreement by the Standing Committee of Attorneys General that all States and Territories should enact similar legislation to provide Australia-wide cover through reciprocal arrangements. The Bill before the House generally follows the model legislation agreed to by the Standing Committee. However, some variations have been necessary to meet Western Australian conditions. These include the following --

In accordance with other Western Australian legislation, justices of the peace can issue search warrants. Given the vast distances in this State, vesting this power in magistrates only, as is contemplated by the model legislation, is impracticable.

Telephone applications for search warrants are not authorised by the Bill.

The Commissioner of Police and individual police officers are exempted from civil and criminal liability when acting in good faith under this legislation.

When this legislation and appropriate arrangements with other States are in place, Western Australian police will be able to execute search warrants to assist police from other Australian jurisdictions with the investigation of interstate offences, and receive similar assistance from other Police Forces in relation to Western Australian offences. This legislation is of particular significance in major criminal investigations and will assist cooperative arrangements between Police Forces throughout Australia.

This legislative scheme also complements the Commonwealth and State proposals for the forfeiture of illegally obtained assets, which were recently announced. Under this proposal, search warrants may be issued in one State in relation to property used in the commission of,

or representing the proceeds of, an offence committed in another State.

Provision is made in the Bill for search warrants to be issued by a justice only upon being satisfied that there are reasonable grounds to believe --

that an indictable offence has been, or is intended to be, committed; and

that there is at any premises an object relevant to the investigation of that offence.

The justice may then issue a search warrant in respect of these premises. The issuing of a search warrant under this Bill will require an application by a police officer who must verify under oath the grounds of the application for the warrant. A member of the Police Force who executes a search warrant must prepare a notice which sets out his name and rank; the name of the issuing justice and the date and time of the warrant's issue; and a description of any objects seized and removed in pursuance of the warrant. This notice must as soon as practicable after execution of the warrant be given to the occupier of the premises or be left for the occupier in a prominent position on those premises. A search warrant must be executed within one month of being issued.

The Bill also provides for the making of ministerial arrangements under which objects seized in the State or Territory in which the warrant is executed are to be transmitted to the Commissioner of Police for the State or Territory in which the offence is alleged to have been committed. When no longer required for the purpose of criminal investigation, or as exhibits in criminal proceedings, the objects are to be returned to the State or Territory in which they were seized pursuant to a search warrant. Provision is also made in the Bill for the return of the objects to their owners.

The provisions of this Bill will assist in the investigation of criminal offences and, because of the proposed reciprocity between States and Territories, Western Australian police investigations will benefit from similar legislation which has been enacted in other jurisdictions.

I commend the Bill to the House.

Debate adjourned, on motion by Hon John Williams.

WATER AUTHORITY AMENDMENT BILL

Receipt and First Reading

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

Second Reading

HON KAY HALLAHAN (South East Metropolitan -- Minister for Community Services) [3.41 pm]: I move --

That the Bill be now read a second time.

The purpose of this Bill is to make amendments to the Water Authority Act 1984 so as to increase the number of members of the board of management of the Water Authority of Western Australia from nine to 11. At present the board includes a member elected by the authority's employees. It is proposed that there be two elected employee members, one elected by salaried staff and the other by wages employees. In order to maintain the balance between official members and elected members, on the one hand, and members appointed from the outside community on the other hand, it is proposed to increase the number of "outside" appointed members by one. The Bill is a simple one and is quite short, and I commend it to the House.

Debate adjourned, on motion by Hon Margaret McAleer.

LEGISLATIVE REVIEW AND ADVISORY COMMITTEE REPEAL BILL

Returned

Bill returned from the Assembly without amendment.

RESERVES AND LAND REVESTMENT BILL

Second Reading

Debate resumed from 17 September.

HON GRAHAM EDWARDS (North Metropolitan -- Minister for Sport and Recreation) [3.42 pm]: I thank members of the Opposition for their brief comments on this Bill. I also thank them for their total support for all that the Bill contains. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc

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

Third Reading

Bill read a third time, on motion by Hon Graham Edwards (Minister for Sport and Recreation), and passed.

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Consideration of Tabled Paper

Debate resumed from 10 September.

HON G.E. MASTERS (West -- Leader of the Opposition) [3.45 pm]: In speaking about the Government's Budget and the Budget papers, I mention that the Government brought down a Budget which has been described by the media and other people as a mild, dull, and frugal Budget --

Hon J.M. Berinson: A responsible Budget.

Hon G.E. MASTERS: -- and a loosening of the financial reins. Of course, Hon Joe Berinson, like the Treasurer, has described it as a responsible Budget.

I draw the attention of members to the fact that the Treasurer and Hon Joe Berinson have been far from straight in their presentation of the Budget and their Budget speeches. It is a devious Budget. One may ask whether it is truthful. Perhaps there is a little playing around with the truth, but what can we expect from a Government which lacks a great deal of integrity and is known for its scandals, which occur week after week? Perhaps it is fair to say that this State Government is the most suspect of all the Governments in Australia today.

Hon J.M. Berinson: You should take this Budget seriously.

Hon G.E. MASTERS: I suppose one can expect that sort of response. As I go through the Budget papers I will demonstrate some of the scandals and the shocking things that have been happening as a result of this State Government's actions. Everyone knows what they are, but I will put them on record again for honourable members' information.

The Treasurer and the Minister for Budget Management have forgotten one fairly large item which is very important; that is, that they deliberately tried to hide a slush fund.

Hon J.M. Berinson: What nonsense!

Hon G.E. MASTERS: It involved a massive figure of something in the order of \$150 million -- it may well be \$200 million.

Hon J.M. Berinson: Do you prefer the deficit your Government left?

Hon G.E. MASTERS: It was not until the Government was found out -- the Opposition flushed it out -- that it said, "Yes, we have \$150 million-plus." The Treasurer said that the amount was \$150 million, but I suggest that it is more than that. This figure was only discovered as a result of people who have an intimate knowledge of the Treasurer's operations, and the Opposition, which alerted the Press.

Hon J.M. Berinson: It was transparent.

Hon G.E. MASTERS: It was only then that the Treasurer and the Minister for Budget Management admitted the existence of the amount of something in the order of \$150 million

or even more. If the Government were straightforward in the presentation of its Budget speeches, why did it not mention this figure? It was not included in the major Budget speech, a copy of which I have in my hand and which has the Treasurer's photograph on the front of it. Did the Treasurer forget to mention the \$150 million? Of course he did not forget. It was not an accident, but the fact is that the Government was found out.

If a company forgot to include an amount of \$150 million, \$100 million, \$10 million, or even \$1 million, in its annual report or budget for the year, it would be investigated and the board would be sacked. I guess one could say that it is a falsification of accounts and that the Government is misleading the public. That is why I question the ethics of the Government and why I say that the Budget papers and the Budget speech were devious and misleading.

I can recall, and I guess that many of the members of the Government can recall -- Hon Joe Berinson is looking puzzled --

Hon J.M. Berinson: I do not understand what you are complaining about.

Hon G.E. MASTERS: I suggest that the Minister for Budget Management and Government members read *Hansard* to gain an idea of the abuse that was heaped on Sir Charles Court by the now Treasurer, Mr Burke, when Sir Charles Court's Government carried over funds which it was claimed was a slush fund, but which in effect was spent the following year.

There was a massive outcry from the Labor Party, which said it was scandalous. At least the following year the Government gave the figures, and charges and taxes were reduced. But not this Government! This year we have seen from this Government significant increases in Government taxes and charges. You will recall, Sir, that the Government and the Minister for Budget Management said in this place -- it was said in other places as well -- that the Government had to increase Government taxes and charges because the wicked Federal Government was cutting its funds. That was not the case.

Hon J.M. Berinson: We have not increased taxes and charges.

Hon G.E. MASTERS: The Minister should not be ridiculous. He must read the debates in June.

Several members interjected.

Hon G.E. MASTERS: I will put on record the increases in Government charges, because what the Minister for Budget Management is saying again is untrue. It is part of that devious way the Government goes about these matters.

Hon J.M. Berinson: Where is it?

Hon G.E. MASTERS: Just give me time.

Hon J.M. Berinson: Show where taxes and charges have increased.

Several members interjected.

Hon G.E. MASTERS: We have big tax increases under the pretext of cuts in Commonwealth funding. This Government, as we all know, is building up something like \$150 million to \$200 million to go into Mr Burke's back pocket and into the Minister's back pocket as a slush fund so that at the right time they can go out and buy votes.

Several members interjected.

Hon G.E. MASTERS: Everyone knows that is what it is all about. Again, the dishonesty of this Government is shown on page 2 of the Treasurer's Budget speech. I think we were treated to a watered down version, it was a Clayton's version.

Hon J.M. Berinson: You had the full speech distributed to you.

Hon G.E. MASTERS: In the Treasurer's Budget speech, which the Minister supports, of course --

Hon J.M. Berinson: Of course.

Hon G.E. MASTERS: The Minister probably had most to do with writing it. A statement by the Treasurer on page 2, supported by the Minister for Budget Management, reads --

In 1987-88, for only the second time in more than four decades, we are budgeting for a surplus, albeit a modest one of \$1 million.

This objective can only be achieved by a continuation of financial discipline and community restraint.

That restraint has led to the Government putting in its back pocket, or in a hollow log, \$150 million to \$200 million.

Several members interjected.

Hon G.E. MASTERS: It is not a surplus of \$1 million; it is a surplus for this year alone of at least \$51 million.

Several members interjected.

Hon G.E. MASTERS: The Government does very well; it is taking an extra \$50 million from the public. What about the poor public? They pay, pay, pay. That is what it is all about. It is not a surplus of \$1 million; it is a surplus of at least \$51 million.

Hon B.L. Jones: Do you think we should?

Hon G.E. MASTERS: It is a total of well over \$150 million. That sum was taken by the Treasurer, who was caught out and finally admitted it.

Everyone knows what the fund is for. It could be spent this year to reduce taxation and Government charges, but it will be used next year for pork barrelling. The Government can buy votes in marginal seats; it has \$150 to \$200 million in its back pocket, and to hell with the public!

We must address a very serious problem here because I understand the \$150 million which the Treasurer and the Minister admit that they have in their pockets may well be \$200 million at the end of this financial year. This is a significant sum of money and it will be able to be spent by the Government with no reference to the Parliament. As I understand it, the Treasurer and the Minister for Budget Management can spend it at any time without reference to this House or to any place. There is no accountability at all.

In the future, any Government -- a Labor Government, a Liberal Government or any other Government -- could work up a surplus of \$300 million or \$400 million which does not have to be accounted for. That could be kept as a reserve, and without authorisation from the Parliament the Government of the day could spend it at a time that suits it on developments which suit it.

Several members interjected.

Hon B.L. Jones: You obviously recognise that we will still be here.

Hon G.E. MASTERS: The honourable member interjecting should be worried, because the worm will turn. The pendulum will swing.

Several members interjected.

Hon G.E. MASTERS: The Government will have no Premier.

Hon P.G. Pendal: Not many Ministers either.

Hon G.E. MASTERS: Who will get the job?

Several members interjected.

The DEPUTY PRESIDENT (Hon John Williams): Order!

Hon G.E. MASTERS: What I am saying is that any Government of whatever political colour could in the next few years work its Budget to the stage where it has \$300 or \$400 million in its back pocket for which it does not have to account to Parliament. That is what worries me. I would be worried if we were doing it. It is breaking down the whole system.

The Budget papers specify how public money can be spent. Parliament votes that money to the Crown, and after that the Government of the day is responsible for carrying out its programmes as approved by the Parliament. Whatever the money is, it is approved by the Parliament. The Government of the day is accountable to the Parliament for any misspending of that money.

In this case the Government is not accountable to the Parliament for a large sum of money. The Government of the day can use it as it wishes -- whatever Government it may be. This is a very serious situation. The mind boggles at what this Government might do with that sort of money. Hon Tom Butler, who is not allowed to interject because he is in his wrong seat --

The DEPUTY PRESIDENT (Hon John Williams): Order! I will decide who can and who cannot interject.

Hon G.E. MASTERS: I would be eager to listen to comments by Government members who smile quite happily with \$150 million in their back pockets. I would like to know what they intend to do with it, and whether they believe that that sort of money should be spent only with the approval of the Parliament.

Under this sort of proposition, it is not inconceivable that a Government of whatever political persuasion may have in 10 years' time \$500 million dollars to spend as it wishes. I do not think that is the way that Governments should act. It is not a proper way to spend public money, and it demonstrates a lack of accountability which should not be countenanced in any situation under the Westminster system as we know it today.

The record of this Government is suspect. That is why I am concerned about this money and how it will be used. There have been numerous shady deals and political patronage. There has even been interference in the judicial system and a complete contempt for the privacy of the individual.

Several members interjected.

Hon G.E. MASTERS: I think that is fair comment. The Government could justifiably be accused of using gutter tactics and of being reduced to the level of the gutter.

Do members know what the Treasurer said when he was found with this \$150 million? It was reported in *The West Australian*, and it must have sent a shudder through the Minister for Budget Management when on Friday, 11 September he read this headline --

\$150 million nest egg will help buffer Federal shortfalls.

The article states that the surplus of \$150 million is identified by one Les McCarrey, who, as members will agree, is an expert on financial matters. He was one of the very important people in Treasury in our time, when he was Deputy Treasurer.

After acknowledging that he had \$150 million, the Treasurer said, as an excuse, "We will save it up just in case we suffer Commonwealth cuts next year." I suggest to members that Mr Keating would have read that with great interest; and the State Government is almost certain now to suffer cuts next year. That was an open invitation for the Federal Treasurer to say, "You have \$200 million spare in your pocket, or hidden in a hollow log, so of course we will cut your money. You have been taxing and charging people too much and you will have to pay for it." Had the Treasurer had been honest about it he would not have said a silly thing like that. The Minister for Budget Management will have one helluva job next year when he goes to Canberra -- if he is still here and if the Treasurer has not gone. He will go to Canberra cap in hand and say, "Why are you giving us those cuts?" He will come back screaming, "They have done it again."

The Minister for Budget Management would have been horrified by that statement by the Treasurer. It would have been just as easy for the Treasurer to have telephoned and said, "Listen, Paul, we have a bit of a slush fund for next year's election. That is what it is all about." But he did not; he fired from the hip and it was reported in the newspaper. This year he has taxed, or will tax, the public an extra \$50 million more than he should have just in case there are Commonwealth cuts next year. That is what the Treasurer has said.

Hon J.M. Berinson: That is absolute nonsense. The trouble with you is that you begrudge the improvement in our economy which this Government has produced.

Hon G.E. MASTERS: The Minister for Budget Management has acknowledged that a \$50 million surplus was budgeted for this year -- or \$51 million, to be exact -- under the Treasurer, in his own figures. He is saying, "We are being good and managing responsibly."

Hon J.M. Berinson: I did not acknowledge anything you said at all. You are wrong on all counts.

Hon G.E. MASTERS: If the Minister for Budget Management cannot agree with his Treasurer, that is up to him and I can understand that. They seem to be all over the place. But the fact is that the Treasurer acknowledged he had \$150 million in his back pocket. It was publicised, and the Minister for Budget Management is acknowledging it now.

Hon J.M. Berinson: I am giving you the reason why.

Hon G.E. MASTERS: Where did the Government get that sum? Where does any Government get an extra \$50 million? From Government taxes and charges. Government is

not a private enterprise business; it survives on Government taxes and charges. If there is a surplus it is not a result of good management, it is sheer robbery and fraud.

Hon Doug Wenn: You should be on the stage.

Hon J.M. Berinson: Preferably during interval.

Hon G.E. MASTERS: If I were, I would not get any claps from members opposite.

The DEPUTY PRESIDENT (Hon John Williams): Order! I will not tolerate these interjections. Every member is entitled to be heard, and every member is entitled to reply. Members who are interjecting can use all the words they are using now in their replies.

Hon G.E. MASTERS: This year there could be -- and should have been, if the Minister for Budget Management were genuine and dinkum in keeping down Government charges and recognised the difficulties in the community today -- a return of that \$50 million in one way or another to the public. One way in which he could have returned that \$50 million would have been to cut back on the State fuel levy -- that extra 2c per litre levy the Government imposed on the public two or three years ago. That extra 2c per litre raises somewhere in the region of \$50 million per year. What is wrong with a Government that knows it will have an income in excess of \$50 million this year not returning it to the public? Why should it not; why could it not -- for example, by way of the 2c fuel levy? That would have an impact on every man, woman, and child in this State. It would cut down the cost of goods and living for people in Western Australia who depend on vehicles. It would cut down the costs to farmers, and so on. But the Government did not do that; it pocketed \$50 million, which is unreasonable, to my mind. But it is typical of the Government which introduced the FID tax, found it had gone too high, and magnanimously said it would cut it down. That is the sort of thing this Government does. It is not good Budget management when it has the sort of surplus it has boasted about. It is bad management and is totally unfair to a community that is being asked to tighten its belt while the Government itself seems to be increasing its spending and take of tax week after week, month after month, year after year.

I was interested to read further in the Budget speech, again approved, if not written, by the Minister for Budget Management, this comment. I quote from page 2 of the document headed "Budget Speech 1987-88" --

The surplus of \$6.7 million was achieved without having to draw on interest earned from our short-term investments and reduced the deficit carried forward from the last year for which our predecessors were principally responsible to \$2.8 million.

What the Government and the Minister for Budget Management have been saying for a long time is that when the Government came to power it had a deficit of \$14.196 million. But when Brian Burke, the Treasurer, went to the Under Treasurer and was given information on the position of State finances, he said, "There is a deficit of \$14.196 million, but there are also net earnings -- in other words, an excess -- of \$36.984 million."

Hon J.M. Berinson: Where from?

Hon G.E. MASTERS: In earnings from investments on Treasury cash balances.

Hon J.M. Berinson: You know that is wrong.

Hon G.E. MASTERS: The net earnings for the year 1982-83 were \$36.984 million, and the Treasurer was told, "You have a cash surplus of \$22 million."

Hon J.M. Berinson: You are completely distorting the way in which those interest earnings have always been used.

Hon G.E. MASTERS: I am saying to the Minister for Budget Management that when he and his boss, the Treasurer, Brian Burke, came to power they were given \$22 million cash surplus in their hands. That is a fact. That has never happened before.

Hon J.M. Berinson: That completely misrepresents the position.

Hon G.E. MASTERS: It is not misrepresenting the position at all.

Hon J.M. Berinson: It is.

Hon G.E. MASTERS: Is the Minister saying he did not have \$22 million cash surplus in his hands at the end of the year?

Hon J.M. Berinson: I am saying that you are engaging in sleight of hand. You know that interest earnings have never been taken in except from the previous year.

Hon G.E. MASTERS: The Minister responsible for the cash management and Treasury management of this State, who in his Budget Speech could not even be bothered, or did not even mention, \$150 million in the Government's back pocket, is talking to me about misrepresentation. That is absolutely unbelievable!

Hon J.M. Berinson: The Treasurer announced that.

Hon G.E. MASTERS: He announced it a bit late, did he not? Why did he not say in the Budget paper, "By the way, I have \$150 million"?

Hon J.M. Berinson: Because the Budget relates to income and expenditure.

Hon G.E. MASTERS: This Government had \$22 million surplus in its pocket. As we look at the figures up to today, members can see, although I will not quote them now, how the Government has accumulated, on my figures at least, \$160 million to spare to the end of next year. It has extracted that sum from the public for no other reason than to build up a slush fund to buy votes prior to the next election. That is all it is about. Those figures were prepared for me by a person who has been and is an expert in the field of Treasurer and Treasury management, and I defy the Minister for Budget Management to argue about that figure, because it is a fact.

In admitting that there was a \$150 million surplus, the Government also announced that it would be increasing expenditure -- by eight per cent, I think.

Hon J.M. Berinson: Approximately!

Hon G.E. MASTERS: Approximately, eight per cent -- and the Minister for Budget Management seems to think that is very good.

Hon J.M. Berinson: It is!

Hon G.E. MASTERS: After all, the CPI is expected to be something around 6.5 per cent.

Hon J.M. Berinson: Around seven per cent.

Hon G.E. MASTERS: Hon J.M. Berinson says it is not bad -- only eight per cent.

Hon J.M. Berinson: It is excellent!

Hon G.E. MASTERS: One per cent of \$3.5 billion is a lot of money. This amount demonstrates to me that really the Government is not all that keen on making cuts to Government charges or cuts to the size of Government.

I commend the Minister's Budget speech, for certain reasons, which I will now outline. I commend the Government for the proposed increase in police levels -- although the increase is not enough in these desperate times. I do not know what will happen if the Government is successful in bringing in random breath-testing, as this will require perhaps another 300 or 400 police officers.

The increase in police levels is not sufficient, and the Government should give serious consideration to my suggestion that an allocation of funds from the \$150 million kitty should be made available to set up a special corruption task force -- one which is totally independent from Government and politics. The exercise would not be a difficult or expensive one, and at least it would lay to rest some of the accusations levelled at the Government. The Government could then say, "We are squeaky clean" if it were prepared to face investigations whenever accusations of corruption and graft in Western Australia were made. Accusations are made day after day and they need to be put to rest.

The Government has done well in reducing the rate of land tax, although I will point out later that in fact land tax is greater.

Hon J.M. Berinson: It is not greater; it is exactly the same as last year.

Hon G.E. MASTERS: The Minister may be right.

Hon J.M. Berinson: A real decrease of seven per cent.

Hon G.E. MASTERS: I have said I am pleased that the Government has cut the level of land tax!

Payroll tax has been reduced in certain areas. Does the Minister say the Government is getting less than last year?

Hon J.M. Berinson: Of course not, because there is more employment.

Hon P.G. Pendal: What about the south west?

Hon J.M. Berinson: Does the member want some figures on the south west?

Several members interjected.

Hon G.E. MASTERS: The Government has given an increased allocation to employment; and that is good. Increases to the family package are good -- so some very good proposals are put forward in the Budget and I commend the Government for them.

The Government makes certain claims, such as lower land tax and lower payroll tax. For the record, I will point out the increases in State tax receipts. Since 1982-83 --

Hon J.M. Berinson: Look at the increased employment in that time --

Hon P.G. Pendal: Look at the unemployment --

Hon J.M. Berinson: The member looks at the negative! There are tens of thousands more people in jobs paying payroll tax.

Hon G.E. MASTERS: The Minister for Budget Management should listen to what I say. It is all very well the Government making claims about the good things it has done. I will outline the level of taxes imposed in Western Australia under this Government. Although the Minister at the end of the day says that Budget management is good, the Government is budgeting for \$1 million plus \$50 million on the side. Since 1982-83, payroll tax has increased 67 per cent, or \$171 million; stamp duty of \$178.85 million represents a 145 per cent increase. Fuel tax is up 162 per cent, even though the Treasurer had promised the Government would keep the price of fuel down. We all recall the advertisements: "We will keep the price of fuel down; we will save the public." The Government has taken \$55.8 million extra, which is a 162 per cent increase.

The Government has gained \$47.6 million extra on tobacco tax; a 282 per cent increase. It is unbelievable that this Government claims Budget management is good. The Government squeezes the daylights out of the public, and runs away with \$150 million in its back pocket, saying to the public, "Go to hell."

The Government has collected \$24 million extra in land tax -- a 69 per cent increase. However, the Minister says this year the Government has kept land tax at a lower level. If that is the case I am very pleased, but the fact is the Government has extracted since 1982-83 an extra \$24 million from the public. No wonder the Government can afford to give a bit back.

This Government has again squeezed the liquor industry, taking an extra \$29.2 million in liquor tax, representing a 140 per cent increase in the time Labor has been in Government. How can the people in the country cope with that? I receive letters every day from people who say this 11 per cent tax increase contains many anomalies, and causes much pain. The Government does not listen -- it just pockets the surplus and walks away.

Gambling taxes are up 100 per cent, amounting to \$20.2 million. FID, probate surcharges, and the like --

Hon J.M. Berinson: Tell us about FID tax.

Hon P.G. Pendal: You introduced it.

Hon J.M. Berinson: Tell us how it is the lowest in Australia.

Hon P.G. Pendal: There should not be any.

Hon J.M. Berinson: It is the lowest in Australia.

Hon G.E. MASTERS: The Minister for Budget Management is unbelievable, when he says, "Tell us about FID tax." Does the Minister know how much his Government has extracted from the public in FID? It is \$32 million this year. That is the record of the Minister's Government. No wonder the Minister laughs hysterically. He must be very embarrassed by the record of a supposedly responsible Government.

Returning to payroll tax, the Treasurer has claimed to have allowed \$2.6 million in concessions. In 1986-87, payroll tax was \$325 million; in 1987-88, an estimated \$365 million -- an increase of \$40 million. The Minister says that is all right as there is more activity and, of course, the Government will collect more. Does the Minister not think it is about time the Government cut the tax back?

Hon J.M. Berinson: We already have the lowest payroll tax in the country.

Hon G.E. MASTERS: What about liquor tax?

Hon J.M. Berinson: Let's talk about payroll tax! The member challenges me on payroll tax, and then denies that this State has the lowest payroll tax in the country.

The DEPUTY PRESIDENT (Hon John Williams): Order! This debate is to be conducted as a debate. I will deal with the next interjection.

Hon G.E. MASTERS: The Treasurer announced concessions at minimal cost to the Government. However, the total cost is up by 11 per cent. In 1986-87, stamp duty was \$273 million; this year, it will be \$302 million -- an increase of \$29 million taken from the public. Again, the Minister for Budget Management may well say increased economic activity has occurred, but the Government cannot keep up its policy of grab, grab, grab. The economy may be improving in certain areas with more activity in the private sector, but this does not mean that the Government should keep taking more. I suggest it is all the more reason to cut back. Government spending should not be increased just because private enterprise improves or business is increasing. I say it is a good reason for the Government to trim its sails and be reasonable.

Collections for FID are up by 20 per cent. In 1986-87, they totalled \$27 million and, in 1987-88, they will total \$32 million. There was no FID prior to this Government's coming to office. Therefore, over a two-year period, this Government has collected \$59 million. The total tax take after adjustments for changes in the Budget papers for 1986-87 was \$969 million. It will total \$1.068 billion this year, a 10.2 per cent increase amounting to \$92 million. It is no good the Government's arguing that it is responsible when it continually increases taxes at that rate.

The Government published a large advertisement in the *Sunday Times* of 13 September 1987. The Minister for Budget Management's photograph appeared in that advertisement, rather than the Treasurer's photograph. It is not a bad picture, either; it must have been taken a few years ago. The article states --

Restraint. . . current expenditure by the State Government as a proportion of total State economic activity (Gross State Product) will have declined by more than 13 per cent since 1983/84.

The Minister for Budget Management pointed out with pride that there has been increased economic activity. He has no pride when he continually increases the Government grab, especially when it has a spare \$150 million in its pocket. The advertisement continues --

This has been achieved despite a 13 per cent fall in Commonwealth payments to Western Australia.

He is suggesting that the Commonwealth's funding badly affected this Government and its Budget, and the Government was forced to increase Government charges and taxes because it suffered greatly at the hands of the Commonwealth in May or June this year. That is simply not true. I guess we could all play around with figures as the Minister for Budget Management has suggested I am playing around with figures. I suggest this advertisement plays with figures.

Total Commonwealth revenue is up by \$147 million or 9.2 per cent over the last year. Commonwealth revenue accounts for 49 per cent of the Budget. Consequently, Mr Burke has had no financial restraint imposed on him by Canberra. In fact, there was a real increase of two per cent. Certainly, capital grants allocations and borrowings were affected, but the Minister for Budget Management deviously and cleverly suggested that the Government was hardly done by. In fact, it suffered not at all. It improved its position as a result of Commonwealth funding earlier this year. The advertisement is, to say the least, misleading.

I stated earlier that, as far as I was concerned, this Government showed a great lack of integrity and principles. Over the last few days the Treasurer has especially shown a lack of integrity. He has a could-not-care-less attitude for his principles. When the Opposition attacked the Government over the situation of the Teachers Credit Society, the Government, to avoid being criticised and blamed for what had happened, divulged confidential and personal information relating to the affairs of a private citizen, in that case, the president of the State Liberal Party, Mr Keith Simpson. He had made private arrangements through the society and with the State Energy Commission, to transfer funds, just as thousands of people,

including Labor Party members of both Houses, and Government officials, very often make similar arrangements. One would think that this Government, which had an opportunity to consider a person's affairs to be private and confidential, would have shown a little integrity.

Privacy of information has become a very important discussion point recently with the proposed introduction, by this Government's Federal colleagues, of an identity card, as I prefer to call it. We have been given assurances that all information will be kept strictly confidential. I ask how that is so when this Government, at the first opportunity, released private information in an attempt to get itself off the hook. This is an extremely serious matter which has reflected badly on the Treasurer and on all Labor members of Parliament.

Hon Tom Helm: On Liberal Party members, too.

Hon G.E. MASTERS: Why?

Hon Tom Helm: Why is it embarrassing you now?

Hon G.E. MASTERS: It is certainly not embarrassing me. How would Hon Tom Helm feel if, for one reason or another, we divulged his private and confidential affairs?

Hon Tom Helm: If the truth were told, I wouldn't complain.

Hon G.E. MASTERS: *The West Australian* of 12 September 1987, under the heading "Government attacked on disclosures", states --

The chairman of the State-owned R & I Bank, Mr David Fischer, has lashed out at the Government's disclosures in Parliament this week of private financial transactions involving Mr Keith Simpson, the president of the WA Liberal Party.

Mr Fischer said the disclosures were a blatant breach of the confidential banker-customer relationship.

Hon P.G. Pandal: Pearce should resign.

Hon G.E. MASTERS: I guess that people will think twice about investing money with the Government because of its lack of integrity and honesty. I would not put one cent into any Government proposition and give the Government access to that type of confidential record. That sort of information is my business. If the Government wants to descend into the sewer, that is its problem, because that is where it belongs.

I asked the Minister for Budget Management a number of questions concerning this matter and received no satisfaction at all from him. He said in one breath that all confidential matters should be protected and, in another breath, when I asked him whether he would take action against the offenders for the release of that information, he said he would take no action. He is acknowledged as the chief law officer in this State. He has the responsibility for protecting the rights of individuals. I believe his efforts to date have been pretty poor.

Hon John Halden: It doesn't say much about this speech.

Hon G.E. MASTERS: *The West Australian* of 11 September carried photographs of Mr Simpson and his wife at home. Another photograph was published in the *Sunday Times* of 13 September. An article was included in which Mr Simpson explained the whole thing. Why should he and his wife be interrogated in their home about their private affairs? The Government released that information to save it from airing its dirty washing. The police should carry out an investigation into the source of that information. In time this release of information will happen more and more frequently unless something is done now; that could affect me, Hon Joe Berinson, or anyone else in this Parliament.

An Opposition member: Or Barry Hodge.

Hon G.E. MASTERS: What about Barry Hodge, or other members of Parliament?

An Opposition member: Medical records.

Hon G.E. MASTERS: What about public officials? Many people in this Parliament deal with credit unions, Government agencies, building societies and banks. I ask members opposite whether all those accounts are under constant surveillance by Government spies. Is that happening? Members opposite laugh about it. They know Government appointees are creeping into important areas and no-one knows what is happening. The day of Big Brother is with us and the system is being infiltrated. I have no doubt that the Government has a dossier on every Liberal member of Parliament.

I have no wish to delve into the personal affairs of anyone in Parliament. I know that the Attorney General has significant family business interests, and good luck to him for that. Why should he not? I have a rather paltry business interest compared with his but that is my business and his affairs are his business. Two or three years ago I was attacked in this House by Hon Tom Stephens but I will not respond to that sort of attack. I am not interested in delving into other people's private affairs; that is not why I am here; I am here to serve my community. What will happen at the end of the day? The Socialist Government in Canberra proposes to introduce an ID card which will be the vehicle for gaining more information at this level, poking into people's affairs, intruding into their private lives. Hitler and Mussolini did that in the past and in no time totalitarian countries around the world will be using Australia as an example to follow.

The public are protesting against the introduction of the ID card and I hope Hon Tom Butler will walk with me tomorrow along St George's Terrace in protest.

Hon T.G. Butler: You should be so lucky; I support the card.

Several members interjected.

Hon G.E. MASTERS: In addition to divulging this information the Government has an increasing number of scandals against its name, over many years rumours have increasingly been circulating in the community about political corruption.

It was interesting to note that during the weekend the Government started to switch the attack, using the Perth City Council and the Police Force by suggesting that they were corrupt. The Government should look in its own backyard. If there is to be an investigation, let it be across the board. I do not mind. Let us look at corruption charges in every area. Let us remember the O'Connor case with the Government interfering in the judicial system; the shonky deal on the abattoirs sale; the Fremantle Gas & Coke Co Pty Ltd when \$20 million of public money was misappropriated; the Brush affair involving the Premier's mate -- serious criminal charges have been laid against that man; Swan Building Society; and now Teachers Credit Society. The same names keep cropping up and most of them are strong Labor Party supporters; many of them are personal friends of the Government and the Premier.

The DEPUTY PRESIDENT (Hon John Williams): Order! I cannot see Hon Phillip Pandal but I can hear him and I do not like it.

Hon G.E. MASTERS: I have listed a few of the scandals that have besieged the Government in recent years. All have a question mark against them with regard to corruption involving the Government, its friends and colleagues. If an investigation is to be held, it should be carried out by a totally independent task force. I would be quite happy with that. Let us not switch the blame to two or three groups which cannot defend themselves.

I was talking to a former employee of the Water Authority a few weeks ago.

Hon T.G. Butler: What was his name?

Hon G.E. MASTERS: I would rather not tell the member now but I will tell him privately. I asked this man what were the difficult jobs in the Water Authority and he said that sewerage work was. I said that the sewerage workers deserved all they were paid because it was a dreadful job. He said that these men go into the sewers to work day after day and no matter how much they wash and scrub themselves, they cannot get rid of the smell. It clings to them for months.

Hon B.L. Jones: It sounds like the Liberal Party.

Withdrawal of Remark

The DEPUTY PRESIDENT (Hon John Williams): Order! I ask Hon Beryl Jones to withdraw that remark. I consider it unparliamentary.

Hon B.L. JONES: I withdraw the remark.

Debate Resumed

Hon G.E. MASTERS: With scandal after scandal, the same thing will occur with the Government; it will not get rid of the stench of corruption whatever it does. The corruption needs to be rooted out. If the Government is not involved, it has no worries. If something went wrong with some of the deals with which Ministers were directly involved -- I am not suggesting they were but someone was -- why not bring it into the open? All the evidence suggests that something is radically wrong.

The Government is intent on staying in Government no matter what. It has developed a technique whereby substantial donations are made and public utterances and appearances are given by people in support of the Labor Government.

Several members interjected.

Hon G.E. MASTERS: When this technique is involved and the public perception is that certain people get concessions or highly paid jobs, an independent inquiry should be held. I am not frightened of such an inquiry -- is the Government? A remarkably high number of people in Western Australia have suddenly become rich -- almost overnight millionaires. We all know the deals I am speaking of and these deals should be investigated. If everything is aboveboard, the Government has nothing to worry about. The Government will continue to get the blame until it submits to a proper investigation.

Hon Mark Nevill: It is a bit unparliamentary to make that sort of comment.

Hon G.E. MASTERS: All I am saying is that an investigation is needed; I do not care if I am investigated.

Hon Kay Hallahan: Are you suggesting that all areas of Government should be investigated?

Hon G.E. MASTERS: There should be an independent investigation of all allegations of improper conduct or of cases where it appears that improper action or financial deals may have taken place.

Several members interjected.

Hon G.E. MASTERS: Are members opposite saying that there should not be? The public want to know and they are entitled to know.

Hon Garry Kelly: It is a fishing expedition.

Hon G.E. MASTERS: I suggest that the fishing exercise was completed over the weekend by the Labor Government's attacking the Perth City Council and the Police Force, with the intention of taking the pressure off itself. It is quite obvious that this Government has an appetite beyond understanding for staying in power. This Government uses and will use certain people's greed for wealth in obtaining that power. To hell with the workers and with small business and with the left in this State and across Australia, who really are of no consequence now; they are pretty much irrelevant, much to the disgust of poor old Hon Fred McKenzie, who has been buried and whose party has lost sight of the traditions and objectives for which his party has fought for many years. It is a sad day when that happens. His party has lost sight of the traditions and principles it once had in its drive for power.

I will finish by quoting from a paper called *The Independent*, which is recognised as one of the best newspapers in the United Kingdom. It is dated 8 July 1987 and is headed, "Mates in high places". It says --

Bob Hawke goes to the polls on Saturday at the head of an Australian Labor Party he has transformed into the ally of big business, and bolstered by media mogul "mates" like Kerry Packer, Alan Bond and Rupert Murdoch.

This article is by John Pilger, who sees a political tragedy unfolding. He says --

A political tragedy is unfolding in Australia. A nation of dynamism and decency, the most culturally diverse community in the world apart from Israel, is being hijacked by a new breed of politicians and their fast-money "mates" . . .

Hawke owes much to Abeles and Murdoch. In 1976, shortly after the Whitlam Labor Government was overthrown with the help of a campaign by the Murdoch press, Hawke took the risk of incurring his own party's wrath and met secretly with Murdoch. From then on, he was, as the Americans say, "on the team" . . .

The Australian Labor Party does have radical roots, but in New South Wales it is well to the right, often in government and often corrupt. The tribal elder of the right, former state premier Neville "Nifty" Wran, provided the model of how to stay in power by cultivating the right "mates". Wran's government awarded the two media tycoons, Murdoch and Kerry Packer, licences to run "Lotto" -- a hugely profitable lottery. The Murdoch and Packer media supported him. Wran is now with an investment bank partly funded by Packer.

"Hawkie" has followed Nifty's lead. Murdoch now controls 60 per cent of Australia's newspaper circulation . . .

Most Australians regard this deliberate crippling of a competitive press as a part of the same anti-libertarian politics which will ensure that every citizen carries an "Australia Card" . . .

Last year, the Government's announcement of this "restructuring" of TV ownership caused market prices to soar and gave Murdoch and Packer a billion dollars' profit windfall.

Hon Garry Kelly: Who wrote that?

Hon G.E. MASTERS: John Pilger.

Hon T.G. Butler: Who is the publisher?

Hon G.E. MASTERS: I do not know who the publisher of *The Independent* is. It is a highly reputable newspaper; it is not a right-wing newspaper, if that is what the member is suggesting. I will finish by reading this comment --

Hawke's achievement has been his "Accord" with the unions. But as each election passes, this looks more and more like big unions accommodating big business and big government. Certainly, Australian working people have shown remarkable patience as the old equity has been undermined, with the sudden rise of a new class of millionaires and of parallel poverty. Under Hawke and Keating, the number of Australian children living in poverty has risen to one in five.

Last month, Kerry Packer staged a "Businessman of the Year" awards evening at Sydney's vast Regent Hotel. Bob Hawke was the guest of honour . . .

Hawkie embraced Bondie and drew Packer with him in front of the television cameras. A Jaguar car was raffled for a charity which looks after the poor. The irony shouted. Here was a Labor prime minister whose predecessors have pioneered some of western democracy's most vital reforms -- massaging the quick-rich at an event ostensibly in aid of the poor. Kerry Packer remarked that he was proud "the prime minister refers to me as a friend". But he also told a friend that he wished Hawkie had not been so damned deferential in public; after all, that kind of thing should be done in private.

I put it to the Chamber that the Budget papers and the Budget speech were devious documents which hid some of the facts. The Budget was a devious document that allowed the Government to get away with \$150 million in its pocket. Indeed, the events over recent times have suggested that the public will resent those moves.

Further, I again point out that because of the calls for investigations into certain groups -- and the word "corruption" is often used -- it would be quite wrong to form any sort of task force or inquiry which was not able to encompass the whole range of events in our community. If there are allegations against the Government or anyone else, there should be a task force to root out these people; and if in fact the accusations are unfounded, surely no-one has anything to fear.

I urge the Government to spend some of its money in genuine inquiries and to set up a task force, and let us get on with the job of governing, instead of all these accusations and newspaper headlines that are designed purely to cover up the Government's shortcomings.

[Questions taken.]

HON MAX EVANS (Metropolitan) [4.56 pm]: I congratulate the Government on the Budget. I understand the Minister for Budget Management is called "No Joe".

Hon Graham Edwards: That's one of the kind things.

Hon MAX EVANS: He keeps a tight control on expenditure. However, we read that we have an increase in expenditure of eight per cent above the Consumer Price Index, so perhaps Joe is not really tough enough. I hope he will become a lot tougher.

I compliment the Government on a surplus of \$6.7 million. Members may recall that last year there was a surplus of \$23.9 million. The Government withdrew \$23.6 million on the last day of the financial year, leaving it with a surplus of \$0.3 million. This was not known until the Auditor General's report came down in October; we did not know the facts in respect of the previous year's figures until then. The Government did not tell us in its Budget figures that it had taken that money out at the end of the year. We must wait now until next month when the Auditor General's report comes down to see what else he has to say.

One thing the Auditor General will tell us is that the Government had budgeted last year to bring in \$92.6 million in interest earned on the short-term money market. I will expect a comment from the Auditor General in that regard, as my leader has already said. However, I was impressed with the change to the land tax, which was something I have been talking about for a long time. I am glad the Minister is now addressing this problem and I will be interested to see the legislation and how exactly the problem is addressed to give equity to everyone -- that is, those who have had increases in the valuation of their properties against those who have not.

In respect of finance, I was very interested to see -- after having been overseas -- that the Government eventually conceded my point on retrospective stamp duty on mining companies. I believe it was important that justice was done to them. The mining companies after all had raised funds to do deals and stamp duty would have affected them badly. Last year I raised the question of stamp duty between spouses; I commend the Minister for taking up that point and giving relief on stamp duty for transfers of property between spouses. Last year before the Budget was brought down I referred to the payment of payroll tax from Government to Government. I often regret recommending that to the Government because it allowed the figures to be distorted for quite some time in respect of how much money had been paid between Governments. We were never able to ascertain the exact amount of money.

Although the Minister has now left the Chamber, I express my appreciation to his staff. I made a recommendation that in the Capital Works and General Loan Fund Estimates some enhancement be given of the figures. Last year the figures were hard to read; they did not have subtotals at the end of each department's allocation, nor did they show the total capital expenditure at the end of last year. The figure for the end of the previous year was given, and one had to add that to the previous year to get the total. The Government has now done as I requested; it has estimated total expenditure to June 1987, so we know how much has been spent of the estimated total cost -- the actual spent last year and the proposed expenditure for 1987-88. Because these are now all added up, we can now ascertain what has been expended and what is the expected future capital expenditure commitment, which this year comes to around \$1.1 billion. We are spending \$1.1 billion this year, but there is still a commitment in the Budget for a further \$1.1 billion, without bringing anything else on stream. We want that because just like with the Companies Code, it is important that anyone be able to see what is the future commitment of a corporation. Now we can see this with the Government's expenditures. Therefore I thank the Minister responsible and his staff for changing the format of the Budget papers to make them more meaningful and for allowing better analysis of them.

I was overseas recently and spent some time in the UK Treasury and I was impressed with the way the English Government does its accounting. When we look at our format we see a lot of white space which could be used to provide more information. We compare the departmental totals over five years, but we cannot compare the other items of expenditure -- only the total. The UK Government uses planning totals for departments, using figures for 1981-82 to 1989-90. It goes back five years on expenditures and also gives projected expenditures over the next three years. This is good planning, and while it is something we have talked about, we have never implemented it. People have said that we do not want to commit ourselves or that it might impinge on the life of another Government. All that is immaterial. Treasury officials and departmental heads should be projecting their figures at least three years ahead, because they have to work out the implications and the effect of decisions they make today as they show up three years ahead. In other words, if a department puts on 100 extra staff it is shown as a cost this year, but we need to know the multiplier effect over the years ahead and the resultant capital expenditure requirements. If the department were to project the cost of its decisions three years ahead it could make a better decision this year because of what was likely to happen in three years. I asked the Government to look at setting out its figures in its Budget and in the ordinary working papers of the departments so as to include projections and comparisons over the preceding and forthcoming three years at least, so that we have actual expenditure and the items of expenditure and not just departmental totals. We need to know that the Government has good figures in front of it on which it has to make decisions for the future. I have often wondered whether it has had all these facts available when I have looked at some of the Budget revenue figures, especially those of last year which were based exactly on the previous year's figures, which was why we had the big overrun in revenue.

The next schedule the British Government provides shows the effect of revenue and expenditure in real terms and it adjusts those on the CPI for the last five years and uses it for projections for the next three years. The British Government uses the figures given to it by economists on how they expect the CPI to go and how the whole expenditure and revenue budgets will be affected by the CPI in real terms. This gives the British Government a far better idea of how its pattern of expenditure is going. We all tend to say that we have gone from an actual expenditure of so much in 1980 to so much in 1987, but unless we know the figures in real terms we do not know whether we are just picking figures out of the sky. Real figures are based on facts, not assumptions.

We have a lot of rhetoric in the speech given by the Minister for Budget Management in introducing the Budget papers. The CRF contains a lot of figures but no real explanations of what the Government is on about and what its departments are on about and what they all hope to achieve. Plenty of room can be found to move figures across to make all this more meaningful. I know the Government is doing this to a certain degree with its departments, where it is asking them to provide strategy plans to work out their objectives. We became aware of this from the reports that came from the various Government departments last year. We saw a great interest in producing good departmental annual reports, with all their costs, strategy plans, and objectives.

The UK Government shows under its expenditure an item "Departmental Objectives". For instance, the Department of Energy indicates its objectives in this way --

Within the framework of statute and of Government policy, the central objective of the Department of Energy is to encourage the maximum economic exploitation of the nation's energy resources and to promote the national interest in international relations in the energy field.

The department lists other items such as "Selective assistance", "Other support services" and "Research and development". Imagine how much better informed we would be if this sort of information about departments were included in the Budget papers, because it would be of great help for us to know what the departments were all about and what they expected to achieve from one year to the next. If they were to enumerate their objectives in this way we could debate them one by one and we could all put forward our ideas. After all, the more ideas the Government has to consider, the better for the State.

I refer now to the UK Budget papers and specifically to the heading "Department of Education and Science", where we find that its aims and objectives are stated as follows --

The Government's principal aims for education are to raise standards at all levels of ability and to secure the best possible return from the resources which are invested in the education service.

They give objectives for central Government spending and local authority spending broken down into current and capital expenditure projected three years ahead. Under the heading of "Schools" it gives further aims and objectives, the sort of thing we need in our Budget papers, not just a lot of basic figures. What are the objectives of the Ministry of Education in respect of schools? We need that information rather than just to have bits of paper coming in during the year. We need to be able to build up a file of Budget papers which would become more meaningful as time went by. The information would not be complete the first year, but we should start the process now. Many departments have already produced a list of objectives, but these are provided in a separate report which is part of the Auditor General's report, which we receive later in the year. It would be better were we to receive this information at the time that we have the Budget papers presented, because we want to see the objectives of the departments at the time we are discussing the Budget, when we see what they have been allocated.

My leader has already referred to a surplus of \$6.7 million. I am not sure how many unusual items have been created since last year. An amount of \$150 million is not a small figure. The figure was \$92.6 million in the Budget, and there is still the short-term money market earnings last year. We see a heading of "Treasury other", and "other" should include this \$150 million, a very considerable amount. The amount estimated for next year is \$36.6 million. So we know by looking at that that it is the same as \$35 million last year, so there is no provision for bringing in next year any of that interest earned on the short-term money market. This comes back to a point I have mentioned before -- accounting standards. I know there are some very good accountants in the Treasury; they will have found that the

pattern used over many years in Treasury was cash accounting. We now have accrual accounting under which one accrues all the amounts owed to one and by one and the proper value of the stock at the end of the year. That has been in force for a number of years for local government and for one year for statutory authorities. However, the Government is still ignoring it. I do not blame it while there are no standards with which it has to comply. My warning to the Government is that it does not show the true figures in the accounts after a number of years. The situation is reached where it is now carrying over interest from the years from 1984 to 1987. That is now carried off balance sheet and amounts to about \$150 million. We will not know the exact amount until the Auditor General's report comes in because he will tell us how much has been earned and how much has not been brought in.

If a corporation or a company did this it would immediately have problems with its shareholders because its accounts, its profits, the balance sheet, and shareholders' funds would be understated, and a raider would soon come in. If BHP understated its profit by \$150 million that would be a material amount of money. That company makes a profit of \$1 billion, and that figure of \$150 million would be 15 per cent. A raider would say, "Gee, that is not true", and the shareholders would be the ones who would lose because they would not know what was the true position. They have not been told what is the true position. The NCSC, which I have mentioned many times and which the Federal Government is now trying to take over, has rules and regulations with which companies have to comply. Directors would be facing charges if they did not properly account on an accrual basis. Why should not the Treasurer and the Minister for Budget Management be made to account for the interest? The Treasurer did not even tell us this; he made an aside about the money on the short-term money market.

Last year Mr Hassell and I held a Press conference about the \$23.6 million being drawn out on the last day of the year. The Press were not interested; they did not understand it. Now it is flavour of the month and they are all talking about it. The Treasurer did not mind admitting it and said he might need the \$150 million because the Federal Government might take away some of his capital grants money. I think he is leaving himself wide open for that to happen. If a company left out this amount of money the Taxation Office would be onto it quickly because, after all, the company is not showing a true and fair position of its profitability and surplus at the end of the year. The Taxation Office penalties would be very severe on both the directors and the company.

How is it that corporations and businesses, for which this Parliament sets down the rules of conducting business and finances, are obliged to do these things and a Government can completely ignore them? The Government did not even have the honesty to tell us in the Budget papers how much money is out there. It was an aside -- a couple of words. If the Treasurer really wanted to be honest he could have said the Government was carrying forward \$150 million for particular purposes. He did not do that. If the Treasurer and the Minister for Budget Management do not have all the facts they will make some bad decisions.

Have they kept the money off balance sheet to pick up the losses of Teachers Credit Society? I will be carefully watching that little item "contingent liabilities" in the Auditor General's report. The Government and the Treasurer will have to say what contingent liabilities there are. They have guaranteed the accounts of corporations and Government departments, such as the Department of Tourism, before but they have now guaranteed any shortfall with Teachers Credit Society. We cannot get the answer and we do not know exactly how it has been worked out. There will be a shortfall, and I believe it could be anywhere up to \$40 million or \$50 million. We have only seen the debts of four major borrowers, and we know of many other major borrowers whose names have not come out, so I will not mention them at this stage in fairness to them. How is this \$50 million loss to be financed? Let us make it \$25 million in the first year, because it may take a while to work it out. Being a liquidator I know it takes a while to sell assets. Let us say it is a \$25 million loss for a Government which showed a surplus of \$6.7 million last year. So it is four times last year's surplus. If it is \$50 million the Government really is eating into its surplus funds off balance sheet. It will bring in some of the interest to match the loss with Teachers Credit Society. I hope the Government has the honesty and the Auditor General has the independence to report the contingent liability. I hope he will tell us what loss the Government is facing with Teachers Credit Society and what are the implications for the public because it is public money which will pick up the loss.

Even today people are asking why they should put their money in the R & I Bank at X rate of interest when they can put it in Teachers Credit Society and get X plus two which is guaranteed by the R & I Bank. It is good tactics by Teachers Credit Society because it keeps up the society's deposits. If there is a further run on the society's deposits it will be most embarrassing for the R & I Bank in respect of the funds it will be putting into one corporation.

There will also need to be a comment in the contingent liability section of the accounts relating to Swan Building Society. The Treasurer will have to tell us how much he expects to commit the Treasury to this year in respect of the Swan Building Society losses or debts. There has been one mention in the paper of \$6 million, but discussions I have had lead me to believe it will be at least that amount. It has outstanding debts to members of \$90 million. Everybody can be a member; one can sign up with Teachers Credit Society for \$10. One does not actually have to be a teacher, everybody can borrow from it. All these big corporations borrow by becoming a member. If the loss is \$6 million it will cut out the surplus this Government made last year. We have to face up to what will happen with those accounts. The rights or wrongs of why they have been taken over are not material; it is the cost to the taxpayer which will affect us, because it must impinge upon the revenue raised by this Government. It will influence whether the Government can reduce taxes or whether it must put them up to break even. I have complimented the Government before on its small Budget surpluses in past years. I come back to the cryptic remark by the Treasurer in his Budget speech when he said --

The surplus of \$6.7 million was achieved without having to draw on interest earned from our short-term investments and reduce the deficit carried forward from the last year for which our predecessors were principally responsible to \$2.8 million.

He was referring again to that perennial, the \$14 million loss of the O'Connor Government. In real terms it was not a loss, as Mr Masters said. There were earnings of \$36 million from the short-term money market. It was there and it always gets brought in in the following year. The real effect was a surplus of \$22 million in cash. That was money to spend in the following year, and the Government brought \$36 million in in that year. To say the Government still has a \$2.8 million deficit because of that is not real and is being dishonest.

I turn now to the statement that this is the second time in more than four decades that the Government has budgeted for a modest surplus of \$1 million. I commented on this last year. It reads very nicely, but is it material in a Budget of \$3.5 billion?

My calculator will not handle a calculation of 0.00 of one per cent; the amount is infinitesimal. It would have been of more credit to the Government for it to have brought down a break-even Budget -- that has been done before. Once the Government starts using a figure of "1" people know that the books have been cooked. I warn the Government that by doing this it is misleading the public and is not making good business decisions.

This is all part of creative accounting. The term "creative accounting" was used by me last year and it is becoming more prevalent. In this week's issue of *The Times on Sunday*, the National Companies and Securities Commission's comments were published in an article titled, "TEA crash a warning for creative accountants". The Trustees Executors and Agency Co -- TEA -- a trustee company, was far more sacrosanct and a more holy cow than the Teachers Credit Society. It went to the wall because of bad management decisions, similar to those made by the Teachers Credit Society. The article reads as follows --

The senior accounting adviser of the NCSC, Terry Haezlwold, said that in view of the commission's concerns over creative accounting and its recent reminder to auditors of their responsibilities to report suspected breaches of accounting standards --

The Auditor General has reported in recent years on creative accounting methods, but the Government has done nothing about it. We cannot even debate his views in this House. The Government ignores his comments, just as it ignores questions about its action in withdrawing \$23.6 million on the last day of the year. It is creative accounting and I warn the Government against using it. The public and the Opposition must have all the facts on what the Government is doing. In recent years the Government has used creative accounting in the sale of Government assets. Why do we have \$150 million in a short-term investment? It is because the Government has been fortunate. It did a deal with the Ashton Joint Venturers and received \$50.9 million in prepaid royalties. In accrual accounting that amount

would be brought to account over the life of the diamond mines. However, it was a deal that was done in lieu of the joint venturers building a townsite in the vicinity of the mine. The amount of \$50.9 million went indirectly into Government revenue after it was used to buy shares in Northern Mining which the Government subsequently sold to the diamond trust. Eventually the money found its way into Consolidated Revenue.

In addition, an amount of \$20.5 million, the proceeds of the sale of the Perth Technical College site, which was a prime piece of land, went into Consolidated Revenue. Half the profit was paid to the Government in the form of a dividend. Therefore, an amount of \$78 million was included in Consolidated Revenue as a result of creative accounting. This amount has been received through unusual activities and not through normal revenue items.

The Government money market operation, as we understand from the business world and finance companies, was previously well run by the Government. The Government is now earning a little less profit from the corporation. An amount of \$8 million was paid as a dividend to the Government -- an amount which was earned by the corporation. In the near future the Government will receive further profits made by WA Exim Corporation Ltd.

Hon Mark Nevill: What should have happened to the WADC's profits?

Hon MAX EVANS: It is money that the WADC should not have kept. Exim has \$8.5 million worth of livestock, but it is shown in the accounts as \$2 million. It has 70 000 head of cattle at \$120 per head. It took me some time to find out what happened to the Commonwealth Government's grant of \$6 million. That amount was offset against the value of the livestock. There will be a large profit from Exim and that will improve the Government's figures.

From royalties and the sale of the Perth Technical College site the Government has obtained \$78 million through creative accounting. As a result, the interest has been excluded from the Government revenue. The Government should not forget that this interest has not been shown in the Budget. From what I can ascertain the amount shown under, "Treasury -- Other", is \$36.6 million. We will not know about this until the Auditor General is in a position to advise accordingly.

We have been told that the method of collecting land tax will be improved and significant changes are indicated because the increase in revenue for 1987-88 financial year is estimated at \$11 million. I wish the Minister for Budget Management were in the House because I am not certain whether this amount includes the 10 per cent discount which amounted to approximately \$6 million last year. Perhaps the Government is indicating that it will not allow that discount this year, and that is the reason for the adjustment.

I cannot see the reason that land tax has not increased by a greater amount in recent years. A number of my friends have had an increase in land tax ranging from 50 per cent to 300 per cent, brought in over a three-year period. Landowners in the Perth City Council area have had an increase in land tax of up to 200 per cent over three years. That amount is not reflected in the total overall figures. I will be interested to know what the Minister will do in respect of those shire council areas which have not been subjected to a revaluation in recent times. A revaluation was to be held every three years and, as a result, one-third of the increase would be incurred in each of those three years. During last year's Budget debate the Minister said that he was trying to upgrade the records to carry out a revaluation of land each year. I do not know how this could be implemented, but I look forward to his explanation at a later date.

The increase in payroll tax is terrific. The statistics on employment do not agree with the Minister's statement; that is, the increase in payroll tax results from an increase in the number of people employed. The real fact is that payroll tax on a payroll of \$1.8 million -- approximately 100 employees averaging \$18 000 -- has increased from 4.75 per cent to 5.75 per cent, a 21 per cent increase. From a small calculation one can see that payroll tax received last year was \$325 million. If one adds to that a notional figure paid by Government departments last year the total would be \$375 million compared with \$305 million for the previous year when Government departments paid payroll tax. The result is an increase of \$70 million, or a 23 per cent increase.

By interjection earlier today the Minister said that Western Australia has the lowest rate of payroll tax in Australia. To be honest, I have not seen the Budgets of the other States but if they have decreased their rate of payroll tax I would be most surprised. I am sure that the Western Australian figure of 5.75 per cent is not the lowest rate of payroll tax of any

Australian State. The Minister may be saying that the base figure, which exempts the companies from payroll tax is the highest in Australia. Last year, from memory, New South Wales was the only other State which had a higher rate of payroll tax than Western Australia, and its rate was six per cent. All the other States had a lower rate than Western Australia. The Minister's statement today went without challenge. If one adds the amount paid by Government departments to the increase in payroll tax of 23 per cent, one finds the total figure is very high.

We should consider the impact on employment of the increase in payroll tax. It is all very well to say that small employers with a payroll of up to \$275 000 will be exempt from payroll tax, because it cuts out a lot of the administrative work and is of benefit to the Government. Almost 300 firms no longer have to pay payroll tax -- they went over the threshold and must now come under it and that is the reason for this increase. They were not paying payroll tax before, it was just an increment.

To ask a small employer to increase his work force by 10 per cent is very hard. In the case of a work force of 10 employees it would mean an increase in staff of one person. With regard to a larger firm employing up to 500 employees an increase in staff of 10 per cent would result in an extra 50 employees. Even if that firm increased its staff by five employees it would not help the unemployment market. These employers are hit with a 5.75 per cent increase in payroll tax, plus increased workers' compensation charges of between three and six per cent of their wages, plus leave loading and holiday pay, etc. It is expensive to employ additional staff and it is made that much worse with an increase in payroll tax. I cannot understand the Minister and the Treasurer not addressing themselves to the 5.75 per cent increase when the Government is flush with money. The Government could have made a change. It would have been in the interests of the public and in the interests of the Government to bring the rate down slowly, because to my knowledge it is the second-highest in Australia.

This year has seen a very big increase in stamp duty, but I do not think the Government can take too much of the credit. It can take some of the credit in respect of the gold tax; but the goldmining companies survived. The Federal Government would not have gone into this, irrespective of the case put up by Western Australia.

The stock market has had a boom around Australia. That boom is due to the boom in the world stock market, but it has been accelerated in this State because of the goldmining boom. Some of the new companies which have been formed are paying up to \$150 000 in fees to be registered. It is expensive to register a company on the Stock Exchange, and the stamp duty is high because of the high paid-up capital.

Hon Garry Kelly: How long do you think the boom will last?

Hon MAX EVANS: It will last as long as the boom lasts overseas. It will be affected by finances in the United States of America and its Budget. If that falls away, we will fall away. Our currency is weak because of the Federal Government; that is why gold is strong. It is the depth to which Australia has fallen which has made gold a boom product. Some years ago gold was worth \$US600 or \$US700. It was worth a lot less in Australian dollars because we had a stronger currency; but the position is now the reverse.

Hon Garry Kelly: It is artificially exaggerated.

Hon MAX EVANS: So be it. It is far more profitable to run goldmining companies today, and this Government has benefited from that by an increase in stamp duty of \$53 million. That is good; the Government has picked up this extra revenue and should pass some of it back.

Last year receipts from stamp duty amounted to \$220 million. The next year the Government budgeted for \$220 million. The Government could have predicted stamp duty revenue would increase.

Hon Garry Kelly: Are you advocating a stronger Australian dollar?

Hon MAX EVANS: I am not talking about the Australian dollar. The Minister told us last November amendments would be made to the stamp duty legislation because the State had been ripped off to the tune of tens of millions of dollars as a result of certain schemes. Another amendment was rushed through in May because the Government was losing stamp duty revenue. It is hard to see where that loss occurred when revenue went up by \$53 million. I challenged the Minister to give proof of that at the time, but he could not. He said

it was happening in other States; and the big increase in stamp duty following amendments to their Acts had helped this State very much.

Getting away from the revenue side, I am worried about debts and liabilities. We will not know the position this year until the Auditor General's report is presented. The total liabilities for this State for 1983 were \$3.8 billion to \$6.2 billion. A large amount of this has gone into debts outstanding and borrowings by statutory authorities, \$1.7 billion to \$4.2 billion.

Hon Mark Nevill: How much of that is the SEC?

Hon MAX EVANS: I am glad the member mentioned that. The State Energy Commission increased borrowings last year by \$481 million. We all know that we are locked into the SEC; the pipeline must be on stream to provide gas for future development. The billions of dollars spent on development in the north west would not have been spent otherwise. The Government cannot ignore these things. In the Auditor General's third report, which came out in May, he pointed out the serious creative accounting which has been entered into by the Government and the SEC in respect of exchange losses of \$450 million which was capitalised back onto purchased plant.

Many members may be aware that much has been written in the newspapers regarding the change in accounting standards. In future the total loss must be brought to account in one year and not held over. The SEC showed a loss last year of \$17 million after paying the State Government \$25 million at three per cent of gross revenue. The requirement to do that has been there for a number of years. The \$17 million loss occurred after a \$34 million loss on foreign exchange the previous year, and an equivalent \$51 million was not brought in to amortise it. Bringing in the exchange loss over the life of the loans was the old way of doing it. That was stopped last year, because Australian accounting standards must be complied with. It will be interesting to see what is done this year, because the Australian accounting standards must be complied with in respect of the total loss.

The Government must look at this, because it is a debt of the Government. The Government will be responsible for it. It will not be able to tax the consumers; the funds will have to be refunded at extra cost which might have to be picked up by this Government at some later date.

My leader has already mentioned fuel tax. With hindsight, looking at the way the Budget was structured last year, very few expected increases in revenue were shown. The Government then increased fuel taxes, liquor fees, and payroll tax, which brought a lot more revenue in a buoyant economy. That made the Government very wealthy; it had a lot of surplus cash. The Government should use this opportunity to reduce some of the charges. It is very hard to reduce charges when times are tough.

The Government has proposed increased expenditure of eight per cent when the CPI is less than seven per cent. That is an increase of one per cent in real terms. The Government must start addressing the problem of reducing taxes. The whole world is doing this. Charges cannot continue going up and up. If we do not address the problem now in good times, we will not do it later and the public will be worse off.

Society needs an uplift. It is uplifted now as a result of a false economy in the share market. A lot of money can be made on the share market and in real estate, but that is not true, generated wealth. We must help the farmers and business people and to bring down their costs. We must help them to make more profit so that they can expand and spend more.

I support the motion.

HON GARRY KELLY (South Metropolitan) [5.39 pm]: I support the motion and compliment the Government on the contents of its Budget. In doing so I reject the extravagant language used by the Leader of the Opposition in some of his comments during this debate. By any stretch of the imagination the Government has been a very efficient manager of the State's affairs. If one looks at the papers associated with the Budget, one finds State Government expenditure as a percentage of the gross State product has been steadily reduced over successive Budgets, and this one is no exception. This reduction as a percentage of the GSP has been achieved as a result of tight expenditure control and a holding down of the rates of taxation.

I refer to the Budget papers and in particular to one of the figures on page 4 of the Budget Outlook (Business & Enterprise) for 1987-88. We have heard the bleatings of members

opposite about the way in which the Government is handling the State's finances. It is interesting to note that in the 1980-81 Budget -- and I am talking about the index of real increases in principal rates and charges, which include water, electricity, and gas; Transperth fares; third party insurance; and hospital rooms --

Hon D.J. Wordsworth: You are comparing Federal with State; you are quoting the reduction in GDP, but that is Federal.

Hon GARRY KELLY: That is not Federal at all, it is State.

Hon D.J. Wordsworth: The reduction you quoted earlier was Federal.

Hon GARRY KELLY: No, it was GSP -- gross State product.

In 1980-81 the real annual increase in the principal rates and charges was something like 21 per cent. In 1981-82 it was not a bad year -- the increase was around seven per cent; and in 1982-83 the increase was about 19 per cent. Since 1983 there has been a net decrease -- in 1983-84 it was around three per cent and in 1984-85 it was roughly seven per cent. In 1985-86 there was an increase of three per cent; in 1986-87 the figure was down to about three or four per cent; and the estimated decrease for 1987-88 is around four per cent. I therefore do not accept the claims made by the Opposition that the Government is being profligate in its handling of the State's revenue.

Certain indicators are pointers to the health of the economy, and I will refer to some of them. This State had the second highest employment growth rate of the Australian States to June 1987; the highest new fixed capital expenditure to May 1987; the highest number of new dwellings approved to April 1987; the greatest increase in retail sales from April 1986 to April 1987; and the greatest number of new motor vehicle registrations to June 1987. Those figures put into perspective the performance of the State's economy.

These facts show that the business community of this State has confidence in the direction in which the Western Australian economy is headed. Much comment has been made about the increases in revenue. During his speech, Hon Gordon Masters made much of the increases in payroll tax, despite the fact that in successive Budgets the exemption level has been increased, and that in two Budgets the rate of payroll tax has been decreased. The reason that the take has increased despite these measures is that a greater number of people are in employment -- and I refer again to the statistic I gave earlier, that Western Australia has the second highest rate of employment growth of all the Australian States.

Hon J.N. Caldwell interjected.

Hon GARRY KELLY: We are taxing them less, but if more people are participating in the work force and all other things remain equal -- if the rate of participation is greater than or more than offsets the level of tax -- the increase in revenue is a bonus to the Government. It shows that economic activity is increasing, despite what we say about payroll tax. I agree that it is iniquitous and regressive; but until something better comes along we will be stuck with it for a while. This Government has done more in that field than any other State Government in Australia. The increase in take from payroll tax shows how well the State's economy is performing.

Similar things can be said about stamp duty. In this Budget a number of exemptions from stamp duty have been given, but the fact that economic activity has increased means that the take from stamp duties will increase as well. I do not think that could be thrown up to the Government as a criticism; it merely shows that management of the economy is in good hands and that the direction in which the economy is proceeding is of benefit to the State.

The Government has done well in the economic field and will continue to do well because the premises on which the economic management is based are sound and the Government has not lost sight of the people who are less well off than people in employment. Those who are unemployed and on benefits or who are poorly paid are in a trap of some magnitude -- they are in a lot of trouble. If a person is working and being reasonably paid, existing in the community is not all that hard.

The Government has not lost sight of the people who are finding the going tough, and I evidence its family package. I give Hon Gordon Masters his due -- he praised the Government for its initiative in setting up the family package. The Government is to be commended for doing that because, coupled with the initiative of the Commonwealth Government which will also aid poor and low income families, the situation in which those families find themselves and the burden under which they are working will be significantly

reduced. That performance of the Government was done under straitened financial conditions. The Commonwealth has imposed quite severe cutbacks on State activity; nevertheless, the Government has been able to produce a Budget and address the needs of the community -- not all the needs, of course; not everything can be done in one Budget -- in a meaningful way.

I turn now to an issue of particular concern to me; that is, the situation with regard to guns in this society. A number of episodes around the world -- two in Australia and one in Britain -- have highlighted the problem facing modern urban societies especially. I refer of course to the shootings in the top end of Australia, the tragedy in Melbourne, and the shooting incident in Britain. Society must take a strong hand in its dealings with firearms, and we should need no more proof of that than those three tragedies, for that is all I can describe them as. They have driven home the point that firearms in an urban society -- and I except the incident that occurred in the top end -- provide a real menace. Members should cast their minds back to the 1960s, when a number of assassinations took place in the United States. John Kennedy was killed in 1963, then Martin Luther King was assassinated, as was Robert Kennedy in 1968. At that time popular opinion demanded more stringent gun laws. People generally were convinced that if guns were not so freely available, these outrages would not occur.

In that country a very powerful gun lobby in the form of the National Rifle Association of USA has the motto, "Guns do not kill people; people kill people." My research indicates that members of that highly organised gun lobby deluge the Legislature as soon as there is the slightest suggestion of more stringent gun control laws in America; the association has a computerised mailing system which it uses for this purpose. It would be a very strong-willed member of Congress or a State Legislature who would buck the system. In many cases, the association actually finances members of the State Legislature in their election campaigns, so it would take a very brave and resolute member of any legislative body in America to stand against this gun lobby for any length of time.

The motto, "Guns do not kill people; people kill people" is transparent, as well as ridiculous. One argument is that if criminals did not have access to guns they would use something else, such as knives, or clubs. Most people would concede that if an argument occurred in a domestic situation -- and most murders are the result of domestic arguments -- and a fist fight ensued, or someone grabbed the leg of the kitchen table, or perhaps a knife from a drawer, and an injury occurred, the chances of a fatal injury are much reduced. I could quote statistics on that. On the other hand, the chances of a fatal injury when persons resort to firearms is much higher. If a domestic argument takes place, with a gun in the house, and someone loses his cool, grabs the gun and in the heat of the moment pulls the trigger, the argument is finished, for sure; but more often than not a murder will be the result.

Hon G.E. Masters: We could say the same about knives.

Hon GARRY KELLY: No, I do not think we could. I mentioned knives, but I think the chances of being killed by a knife are much less than by a firearm. When a person tries to stab someone, he has to be close to the victim; whereas with a gun a person can be at some distance from the victim, fire the weapon and produce a result which is rather final. It is much easier to kill or maim someone with a firearm than with other weapons.

An article on the Hoddle Street killings in Melbourne appeared in *The Bulletin* of 25 August under the heading, "The Violent Society". Mr Russell Hogg, a senior lecturer in law at Sydney Macquarie University makes the point -- which refutes Hon G.E. Masters' interjection -- that if the Melbourne killer had been armed with a knife, most or all of the victims might well still be alive. I think that is self-evident.

Harking back on the American situation, within the American Constitution an amendment to the Bill of Rights refers to the right to keep and bear arms. I think any Supreme Court worth its salt would have long since interpreted that part of the Bill of Rights out of existence. At the time it was written, after the American War of Independence, the section referred to the raising of armies so that the settlers could protect themselves. If the authors of the American Constitution could see the results of that provision on American society they would be horrified, as it was never meant to allow the citizens to be armed with weapons to the extent that they are. American society has reached the stage where many people think that it is necessary to own a weapon for protection. Along with a fridge, house, car, and washing machine, American people feel they should also have a gun which, of course, instead of adding to security, lowers security. Statistics relating to the homicide rate, or accidental death, show a great contrast between Canada and the United States.

As I mentioned earlier, the article in *The Bulletin* entitled "The Violent Society" -- addresses the fact that people are frightened; they lock themselves away from society, and arm themselves. Russell Hogg is quoted as saying --

These killings do increase people's willingness to lock themselves in fortresses, to privatise their lives, to isolate themselves even further. In a very real sense, I think this sort of violence is connected with that. The more we retreat into private solutions, however rational they may seem at the individual level, the more we may be feeding the very set of social conditions which favour this sort of violence. Acquisition of firearms is an aspect of that. The more we feel potentially open to violation, the more likely we are to arm ourselves with guns and rifles just as the American's have done.

Hon G.E. Masters: Violence produces violence.

Hon GARRY KELLY: That is right. It is a self-perpetuating cycle. Russell Hogg believes the US society is one in which people are only too willing to resort to the gun or to violence as a method of dealing with any manner of personal and social conflicts.

I will not enter into debate on the point the member made about videos. I will not draw the long bow and say that violence in movies and on television is the cause of the mayhem we see perpetrated across the world, because there is a distinction. Most people can separate themselves from fantasy and can make the distinction between that and the real world. People close to the edge may be pushed over that edge by a violent film, but movies have been around for a long while, and we have not had the excesses in the past that we have today.

Hon G.E. Masters: The Rambo-type films do seem to stimulate some people -- those who may be quite near the edge.

Hon GARRY KELLY: Yes, I do not disagree with that, but I am not sure that we can say it is caused by television or movies. Many things happening in society may lead to people going over the edge. The article goes on --

Increasing levels of violence beget the conditions which create a self-perpetuating, self-reinforcing cycle.

The number of guns and weapons floating around in society could very well grow if we do not take steps now to address the question of firearms in this nation. I do not say it is a serious problem now despite recent happenings. I do not think firearms are a crucial problem at the moment --

Hon J.N. Caldwell: What about education in the use of firearms?

Hon GARRY KELLY: I will develop my argument further, but I really question the need for anyone to possess guns in an urban environment. I can see the need in rural areas, but even there numbers should be closely controlled. I question the need for firearms to be possessed by the civil population in the urban environment.

If one cares to look at the yellow pages of the telephone book one sees there are something like 30 gun shops in the metropolitan area.

Sitting suspended from 6.00 to 7.30 pm

[Leave granted for the member to continue his speech at the next sitting of the House.]

Debate thus adjourned.

ACTS AMENDMENT (LEGAL PRACTITIONERS, COSTS AND TAXATION) BILL

In Committee

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

Clauses 1 to 6 put and passed.

Clause 7 : Section 37 repealed --

The clause was amended, on motion by Hon Max Evans, as follows --

Page 3, lines 28 and 29 -- To delete all words after the numeral "7".

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

Substitute for the words deleted --

Section 37 of the principal Act is repealed and the following section is substituted --

Receipt of cheques

37. (1) Where a practitioner receives a cheque from a person for the use or benefit of a person other than the practitioner or the firm of practitioners of which the practitioner is a member --

- (a) the practitioner shall cause an adequate record of the receipt and disposition of the cheque to be made;
- (b) if the cheque is made payable to the practitioner or the firm, the practitioner shall not deal with the cheque unless he has a direction in writing from the person from whom the cheque is received, or from the person for whose use or benefit the cheque is received, as to how the cheque is to be dealt with;
- (c) the practitioner shall retain that record and, where applicable, that direction for at least 7 years.

(2) Subsection (1) does not apply in relation to a cheque that is paid into a trust account.

(3) Notwithstanding paragraph (b) of subsection (1), where the practitioner does not have a direction referred to in that paragraph and it is necessary to deal with the cheque without delay, the practitioner may deal with the cheque but before doing so he shall send notice in writing of his intention to deal with the cheque to the person from whom the cheque is received or to the person for whose use or benefit the cheque is received.

(4) A reference in subsection (1) to the receipt of a cheque by a practitioner includes the receipt of a cheque, in the course of legal practice, by a partner, clerk, servant or agent of the practitioner with whom he shares remuneration, other than as principal and agent.

(5) A reference in paragraph (b) of subsection (1) to a direction in writing includes a letter, authority or other writing clearly indicating the manner in which the cheque is to be dealt with.

This is an important provision, and despite the indication from Hon Max Evans that he is opposed to it, I urge the Chamber to consider the issue carefully and to deal with it on merits which are really very substantial. I attempted to explain the reasons for this proposed new section in my reply to the second reading debate. I did that at some length, and I do not think it is necessary to go to the same length now. However, I should give some further brief indication of the reasons for this amendment, and I do so as follows.

This proposed new section is to provide that all cheques received for the use or benefit of a person other than the practitioner or his firm, and not paid into the trust account, must be recorded. Where the cheque is payable to the practitioner or the firm, he must not deal with the cheque without a written direction. New subsections (2) and (4) provide for urgent situations, where a direction cannot be obtained, and clarify the meaning of "direction". I want to emphasise that in respect of cheques made out to the practitioner's name but not deposited in the practitioner's trust account, this new section does nothing more than is already required by the Barristers Board rules. This whole amendment has been introduced on the basis of recommendations of the Barristers Board. I need hardly stress that with the exception of one officer -- the chairman -- that is made up almost entirely of practitioners from the private profession.

There are two parts to this amendment. The first is to provide for the way in which cheques should be dealt with which are paid out to the practitioner's name but are then endorsed by him to a third party, without going to his trust account. The other situation is to cover the position where a cheque is handed to the practitioner but is already made out to a third party's name. In the first case, the amendment is to provide that the practitioner should only deal with the proceeds of that cheque on the written direction of his client, although an exception is made to allow urgent situations to be covered. In relation to cheques which are

handed to the practitioner but which have been made out to a third party's name, the requirement is much less onerous and simply requires the practitioner to keep a record of the receipt of the cheque and of its disposition.

I stress again that this provision does not really relate to the main object of the Bill, which is to deal with an independent costs committee; it relates to an area of concern which has been raised by the Barristers Board itself and which is regarded by the board as necessary in order to secure the position of clients whose payments to practitioners do not go through the practitioner's trust account.

Hon MAX EVANS: Is this done so that cheques do not go through the trust account, or does the Attorney mean to by-pass that?

Hon J.M. Berinson: Yes.

Hon MAX EVANS: I would ask the Attorney whether his first proposed section 37(1)(a) was the requirements of the Barristers Board and the regulations as they stand now, or has he backed down to a certain degree?

Hon J.M. BERINSON: The answer is both or all three, depending on how many questions were in that one comment by Hon Max Evans. Let me start at the point of my second reading speech, which I believe made clear what the object of the exercise was. That was always in the terms that I have now put in support of this amendment. However, the amendment itself did not on further examination match the objective which I set out in my second reading speech, and that led to the need for this further amendment.

In the course of that process, however, the requirements in relation to cheques made out to a third party have been reduced to the point where the record required relates only to the receipt and disposition of the proceeds and does not require a written direction from the client. That requirement is reserved for the disposition of cheques which are in fact made out to the practitioner's own name and subsequently endorsed by him.

Hon MAX EVANS: Were the rules of the Barristers Board requiring consent of the client for both types of cheques? I would have thought that the Attorney's new section 37A was what the Barristers Board requires to be done now, being very stringent, and then after discussions with the Law Society the Attorney realised how harsh it was, and it was changed. Can the Attorney tell me what the Barristers Board regulations are? I think it is under section 95 of the Barristers Board rules, or something like that.

Hon J.M. BERINSON: I do not want to be held too closely to the answer I am going to give, and I can only put it in terms of my understanding of the position. My understanding is that the Barristers Board rules relate only to the one situation of cheques made out to the practitioner's name and then endorsed.

I again emphasise, however, that the second limb of this exercise dealing with cheques made out to a third party but handed to that third party through the office of the practitioner is also the subject of recommendation by the Barristers Board; so both parts of this amendment are to meet the recommendations of the Barristers Board.

On my understanding of the position, the Barristers Board's rules only cover cheques made payable to a practitioner and endorsed over by that practitioner. I have gone on from there to say that the second provision of this amendment which deals with cheques made out in the first place to a third party is also based on the strong recommendation of the Barristers Board.

Hon MAX EVANS: Has the Attorney General actually had the recommendation in writing from the Barristers Board that this should be incorporated in the Act, because it is not even an Act which deals with the subject?

Hon J.M. BERINSON: I do not have the relevant file with me, precisely because it is on a different subject. My recollection is very clear that both matters were put to me by the Barristers Board; but I cannot be certain as to whether that was in writing or by personal representation by the chairman of the board. However in one or the other way I am quite clear that both limbs of this exercise are on the basis of the Barristers Board's wishes.

Hon MAX EVANS: The Law Society is very perturbed about this. It does not want to see this enshrined in the legislation. The Law Society, as I understand it, is about to have discussions with the Barristers Board. From memory the rule has been there since 1984. The Law Society believes that this is an onerous requirement on lawyers. The society

believes that it was brought in by the Barristers Board because at some time a cheque went astray; the Law Society has no evidence of that but it does not want to see this included in the legislation, so it can discuss it with the Barristers Board to have it eliminated.

Will the Attorney General change the Act dealing with real estate agents? Real estate agents can pass cheques on, and I would have thought that the Law Society, with its professional indemnity and so on, would be far more responsible than real estate agents. Will the next move be to do the same sort of thing with real estate agents? If not, why not? They do the same thing with much larger cheques.

Hon J.M. BERINSON: One thing at a time. My responsibility is in respect of the Legal Practitioners Act. If somebody wants to raise a problem about the way in which real estate agents handle moneys passing through their hands, that is a separate question which needs to be brought up independently.

The fact is that the greatest importance is attached to the safety of funds entrusted to legal practitioners. There are very stringent rules relating to the way in which moneys going into trust accounts are handled; and so far, at least, it has been the position of the representative disciplinary body of the legal profession -- that is, the Barristers Board -- that the stringency of those safeguards should be reflected in all three ways in which cheques can be dealt with by practitioners on behalf of their clients. If at some later stage of the process the Barristers Board can be persuaded that its recommendation has gone too far or that in the light of experience it is perhaps no longer necessary, the Barristers Board is fully capable of making a submission to amend those provisions in the same way as it made its very strong submission in support of the amendments I have moved. For the moment I have to say that if there is a contest between the convenience of the profession and the safety of the clients' funds, I would put the latter first.

Hon MAX EVANS: Lawyers have been endorsing cheques and handling documents since the beginning of legal history. This will put them at a handicap and slow down the work they do. Can the Attorney General tell me whether they can be caught for FID, because the moneys are coming in and out, but not through, the trust accounts?

Hon J.M. BERINSON: A great expansion in the transfer of funds through solicitors but avoiding the use of solicitors' trust accounts did follow the introduction of FID. There is no doubt about that, and that is why the new Barristers Board's rules roughly coincided with the time FID was introduced. It led to significant concern by the Barristers Board that the avoidance of stringent trust account provisions could lead to difficulties, and they brought in their own rule to attempt to prevent that as best they could. As I indicated in the second reading speech, there has been some doubt as to the effectiveness of the Barristers Board's rules; and they regard it as very important to put this matter beyond doubt.

Hon MAX EVANS: Would the cheques that are endorsed and made out to the law firm be subject to FID?

Hon J.M. Berinson: No, because they do not pass through an account.

Hon MAX EVANS: I do not know how this thing is policed. I think the Attorney General would agree that they have had this for three years now; and I should imagine that there are as many people not doing it as are doing it. I am not certain what policing method will be used.

Hon J.M. Berinson: That is not so. It is a very serious matter not to comply with the Barristers Board's rule.

Hon MAX EVANS: What policing method has there been on that and who polices it?

Hon J.M. BERINSON: There is no policing mechanism in the sense of regular checks of solicitors' books by the Barristers Board. Where this rule comes into play is when the Barristers Board receives a complaint from a solicitor's client and it is then called on to adjudicate as to whether the funds were handled correctly or not. That is the point at which the issue arises.

It is fair to say that it is very much in the profession's own interest to have sufficient records to ensure that when questions as to proper disbursement of a client's funds are raised, they can be disposed of in a way which leaves no doubt.

Hon MAX EVANS: I am glad the Attorney General replied in that way. When something goes wrong one tries to have records which show what has occurred. For example, real

estate agents do not have to keep track of moneys once they have passed them on. The Barristers Board will take action whether or not the transaction has been put down in a register.

Hon JOHN WILLIAMS: I appreciate the detailed explanation the Attorney General has given, and also the dilemma facing my colleague, Hon Max Evans, vis a vis the Law Society saying that lawyers are not having an equal opportunity to compete in business because they are put to extra costs in doing these things.

The Attorney General has been in Parliament long enough to know that when something goes into a Bill which becomes an Act, that provision is very hard to repeal. Bearing in mind the Attorney's concerns, I wonder whether it would be better under the circumstances to go part way with the Law Society and three-quarters of the way with the Barristers Board by introducing regulations to cover this situation once the Act is proclaimed. This matter is part and parcel of the legislation, although it is almost outside the main thrust of it. Therefore, if the Attorney could assure the Chamber that where it militated against fair competition -- and I am talking about the transactions which go through solicitors' offices on behalf of clients; and those same transactions may be conducted by settlement agents or real estate agents -- he might get the Law Society and the Barristers Board together, once the Act is proclaimed, and introduce a regulation. This could be reviewed from time to time, rather than enshrining the procedure in the Act, which would then have to come back to the Parliament and have reasons given for the repeal of the provision.

I will not be hard-headed about the excellent explanation the Attorney General has given or go against the wishes of the Barristers Board, but I offer my four penn'orth for the practitioners. My suggestion might just offer a chance of coming to some amicable arrangement with both those bodies so that they are both satisfied and at the same time the Attorney can retain the integrity of the Bill he has introduced into the Parliament.

Hon J.M. BERINSON: It is true to say that the manner in which these funds are dealt with is relatively peripheral to the Bill. On the other hand it would be quite wrong to suggest that the manner in which moneys entrusted to lawyers are dealt with is peripheral to the Legal Practitioners Act. It occupies a central part of the Act and it always has. This amendment seeks only to elaborate on the existing provisions for the handling of moneys paid to lawyers, and it is filling a gap. It has only come to be a matter of concern as the procedures used to avoid FID and coincidentally to avoid trust accounts have increasingly come to attention.

I put it to the Committee the other way around: The Act has always been concerned, as a central part of its aim, to secure the safeguarding of clients' money entrusted to solicitors. This amendment is to fill the gaps that have come to attention as a result of recent developments. I can accept what Hon John Williams says about the relative difficulty of having Acts amended as opposed to having regulations amended. I can assure the Chamber, however, that within a relatively short time, probably next year but certainly no later than 1989, further very substantial amendments will have to be made to the Legal Practitioners Act to accommodate the changes to the disciplinary provisions of the profession, which were recommended by the Clarkson committee. If at that time, and in the light of experience between now and then, the Barristers Board is prepared to make different suggestions from those which it has put to the Government so far, I am quite sure that the Attorney General of the day would be perfectly happy to consider those. That would be the time, and the Barristers Board at that stage would have the benefit of experience.

Hon JOHN WILLIAMS: I thank the Attorney for his explanation. As a review will come about so quickly in view of other things pending, I am quite prepared to leave it at that -- I said I was not going to be hard-nosed about it anyway. If these difficulties do magnify themselves over the coming months, by 1989 at the latest the Attorney General has told us he would be prepared to repeal the appropriate section of the Act. I support that proposition.

Hon MAX EVANS: I want to clarify that the Law Society is not wanting to make things easier for its members to do things that are underhand. All it wants is to have introduced a provision which is practical and which speeds up their procedures.

Hon J.M. Berinson: You have heard nothing from me to suggest that.

Hon MAX EVANS: No. Maybe the problem is their own fault for not having taken the Barristers Board to task before this. They had their dialogue but probably did not realise the matter would come up in legislation now. I accept that the Attorney General is right in saying what will happen to the Act in the future.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 8 put and negatived.

Clause 9: Sections 58L, 58M, 58N, 58O, 58P, 58Q, 58R, 58S, 58T, 58U, 58V, 58W, 58X, 58Y, 58Z, 58ZA, 58ZB and divisional headings inserted --

Hon MAX EVANS: I move an amendment --

Page 5, line 1 -- To delete ", charges and disbursements" and substitute --
and charges

Disbursements are moneys that lawyers have to pay out on behalf of their clients and they feel it is most unfair if they are included in the figures to be taxed. I believe the taxing officer would have no criteria for assessing a reasonable value of these disbursements.

Hon J.M. BERINSON: I confess that I was surprised to see this amendment listed because the Bill, as drafted, does not raise any situation different from what already exists. The Supreme Court rules provide that fees, charges, and disbursements, are included in the definition of costs. No more is provided by the Bill than is the present position and which has been in place for at least 50 years without giving rise to any concern at all. The sort of situation to be covered is one where disbursements may be agreed by one party which go beyond reasonable limits and then are sought to be transferred to the liability of the other party against whom costs have been ordered. It is perfectly in order, and has always been the practice, that a situation like that should be subject to review by the taxing masters. There is no reason why that situation should be disturbed.

Hon MAX EVANS: I believe the Attorney General is saying that the taxing officer will not tax the disbursement per se. However, he has to have the authority to approve the passing on of those disbursements if he is setting a fee. The Attorney suggested that because this practice has been included in the legislation for 50 years, it should not be changed. We are constantly changing legislation, so that argument does not hold water.

Hon J.M. BERINSON: I am not altogether sure what the question is, but if it is asking me whether the inclusion of disbursements in the definition of costs is to open the way to the taxing master's considering the matter, I would say that it is certainly one objective of the exercise. However, the scales do not necessarily apply only in the case where the taxing master is involved. They could also apply in the setting out of the bill of costs between solicitor and client. I think the position may go rather wider than the member's suggestion and would cover the example he gave.

The Supreme Court rules give a definition of costs and states that costs include fees to counsel, charges, disbursements, expenses, and remuneration.

Amendment, by leave, withdrawn.

Hon J.M. BERINSON: I have an amendment on the Notice Paper which reads --

Page 5, line 17 -- To delete after the word "be" the words "a practitioner of not less than 8 years' standing" and substitute the following --

- (i) a sitting or retired judge of the Supreme Court or the District Court; or
- (ii) a practitioner of not less than 8 years' standing;

The purpose of this amendment is to add to the list of persons eligible to be the chairman of this body a sitting or retired judge of the Supreme Court or the District Court. That does not affect the provisions in the Bill as originally drafted that the chairman may also be a practitioner of not less than eight years' standing. It is fair to say that it was always envisaged that the provisions of this section would allow judges or retired judges to be appointed to the position. However, since the drafting of the Bill it has been drawn to our attention that a judge, for reasons going to the Supreme and District Courts legislation, is not a practitioner.

It is highly desirable that we make judges eligible for those positions in that they can bring a certain balance of experience that might not always be available from members currently practising in the private profession. They are also able to bring a certain objectivity which would be extremely difficult for persons in the private profession, subject not only to considerations of their own practices, which I believe in most cases could reasonably be put aside by the sorts of people we would be looking for, but also the pressures from their peers.

I do not want it to be understood as suggesting that the Government has in mind the appointment of a judge. We have not gone to the point of that sort of consideration. What this amendment means is that the field should be wide enough to allow judges and retired judges to be appointed to this position.

The present Supreme Court scales are, of course, entirely at the discretion of the judges. While there may be an argument against leaving the whole of the arrangement in that form, it would be unwise to go to the other extreme and say that it should never be open to have the experience of the judge available for the sort of exercise this will engage.

Hon JOHN WILLIAMS: I disagree with the amendment on a couple of grounds, and I do not intend my comments to be a reflection on the judges of the Supreme Court or the District Court. I do count amongst those people one or two acquaintances. If I am correct the retiring age for a Supreme Court judge is around 70 years and for a District Court judge it is 65 years.

I will put my comments in the kindest possible way. When a judge retires he is entitled to some peace and comfort, and he may not want to soldier on. The pressures brought upon the bench in his term of office are something which only perhaps a few parliamentarians -- for example, Ministers -- would appreciate. It is only fair to say that one of the qualifications attached to being raised to the bench is that the person concerned has finished with private practice.

I appreciate the term "objectivity" used by the Attorney General, but I ask him to consider the term "practicality" in a business sense. There are many examples of judges beyond the age of 70 years -- I am not reflecting upon the present bench -- who have become almost senile in some of their judgments. I do not think it discredits them or puts a slur on them to say that the Attorney General's original suggestion strikes me as being a better proposition for the profession. The original proposition stated that a practitioner of not less than eight years' standing should be appointed; and there are some very senior people in private practice who are also commercially orientated and they know the business.

If at some time a judge was called in to act as a referee in some case, I would have no objection; but to be actively involved in a committee such as this, it would concern me that the judge would want to make certain decisions. I do not think it is practical.

Enormous pressures are brought on the bench, and I would rather see the Attorney's original suggestion of the appointment of a practitioner of not less than eight years' standing and possibly a panel within the legal profession from which to choose such a person.

Could we for once let judges rest in peace? They are called upon for all sorts of things because we regard them as paragons of virtue. I am sincere in my respect for judges, but I think that this is one area in which they should not become involved. We have called upon retired judges to become Royal Commissioners. I have heard their colleagues say that a judge should never be appointed as a Royal Commissioner because a judge's expertise is in the interpretation of the law and not in collecting evidence. Whenever a job is difficult, we call upon a judge to carry out the work because he is above suspicion and he has served well.

In the case of practical work, such as that envisaged for this committee, I feel that there would be at least 15 practitioners around the town who would serve their colleagues in a better way. Their colleagues would appreciate that they were up to date with modern day commercial practice. A judge is up to date with everyday commercial practice when it is drawn to his attention in evidence in court, but he does not practise.

What would happen if the judge had not practised for 20 years? He could well send out his accounts in guineas rather than dollars and cents. I am not being derogatory of the bench, but this amendment should be deleted and we should revert to the original clause which would better serve the profession.

Hon J.M. BERINSON: If Hon John Williams had restricted himself, or if he is now prepared to restrict his objections to retired judges, there might be something to be said for his argument. It is true that not all judges go to retiring age and, in fact, there is an increasing tendency for them to retire before retiring age. Nonetheless, it might be reasonably said that we should not open the way to the appointment of people beyond a certain age in the same way as it is now expected that appointments to judicial office should not go beyond a particular age. I could understand that part of the argument. I could understand some suggestion that retired judges should not be included in the field. Frankly, I cannot accept the argument in relation to serving judges.

There were two specific comments made by Hon John Williams which need to be addressed. In my view, it is not correct to describe, as Mr Williams did, the judge's expertise in terms of his capacity to interpret the law. I understood Mr Williams to say that a judge's expertise is in the interpretation of the law. It is certainly that, but it is more than that because his expertise also goes to the evaluation of factual evidence. That is not a matter of interpreting law at all.

The committee to which we are referring will deal with the facts presented by practitioners, by people with other views, by professionals associated with the estimates of professional costs, and so on. There is nothing at all to suggest that that is beyond a judge's expertise. I must also tackle Mr Williams on his concern to secure people who are practical in a business sense. We put to our judges the adjudication of matters running to many millions of dollars. They go far beyond the financial implications of lawyers' scales of costs, and there is a very general acceptance, indeed I would say universal acceptance, that that can be done reasonably and with confidence. If it can be done in those areas, it can be done here. I ask Mr Williams to reconsider his position. If he would care to separate the question of retired judges from serving judges, that might be worth some discussion. If it is a question of judges or not, then I would stay with the amendment as moved.

Hon MAX EVANS: The amendment incorporates both sitting and retired judges. Normally judges retire due to ill health. I am trying to think of some who might have retired for reasons other than health. Most of them keep going until a full age.

Taking the retirement of judges at 70, some at that age in our society today would not be selected. Some can serve the purpose fairly well, but I agree strongly with the Law Society. I was talking to Hon Ian Medcalf last night. He said he remembered a judge -- I will not mention his name -- whom he wanted to sit on the committee which fixed costs. The judge said he could not serve on the committee; he said he did not know what fee to charge when he was in practice, and he would not know now.

Some judges are appointed beyond the age of 50, and some earlier. The future trend will be younger than 50; but some might go before 70 because they will start earlier. Many of the judges come from small practices, and they are very good on the bench. Many commercially inclined lawyers enjoy the practice. The original clause referred to a practitioner. A practitioner would be a lawyer in practice, as I understand it, but that is not quite what the lawyers want. They see a fine line in the definition.

The chairman of the committee has a deliberative vote and a casting vote, which could be very important. Was one of the reasons the Clarkson committee was set up in 1980 because the judges were not doing an adequate job, or were out of touch or did not want to do it? Part of the reason might be that the judges want to be free of this chore. That is why a committee was set up to look at alternative ways of fixing fees. I presume the committee did not recommend a judge although a judge was mentioned. I was surprised to see in the first Bill a practitioner was referred to and now in the amendment a judge is referred to. When a judge retires on State superannuation, would he be able to take a position under the Crown on this committee and still receive his superannuation? I think the Federal Government has some limitation on that for its employees.

Hon J.M. BERINSON: Taking the last question first, I am not aware of any such limitation. The judges are not in the superannuation scheme; they are in a judicial pension scheme. So far as I am aware, there is nothing to limit them from taking on other duties.

Mr Evans' comments at this point require some consideration. There is a fundamental difference between the present system of establishing costs and the one that we are moving to. May I remind members that the present system is not uniform. For example, the Local Court scale of costs is not set by the judges at all; it is set by the Government. So in moving to an independent costs committee we are really moving away from Government control rather than towards it.

Coming to the question of Supreme Court scales, I accept that the judge to whom Mr Evans refers did say that he would not know how to set the scales. I can confirm that on my observation the judges as a body have not welcomed their past duties in relation to the setting of the scales. All of that, however, must be seen in the context of the system that they were applying, and then contrasted with the system which it is now proposed to establish. Under the old system, the Law Society or the Barristers Board, or both, would make submissions to the judges and that is all. They had no independent inquiry facility. They had no officers, staff, or experts available to allow them to evaluate the position.

I was regarded as having set a cat among the pigeons when on one occasion in my position as Attorney General I put in a counter submission. It had never been done before. In the past the judges had one submission only, and on the whole they accepted it. I do not think there can be any criticism of that. The submissions may well have been adopted without more, and perhaps they were so correct that nothing further had to be said. But even if that were not so, one could hardly blame the judges for not doing other than adopt those submissions, or substantially adopt them in the absence of any other independent advice.

The process envisaged in this Bill moves away from that system and sets up an independent committee, some of whom will be able to bring their expertise to bear, but which in any event collectively will be in a position to call on such other professional opinion as they themselves regard as necessary.

That is a very different situation, and the very same judge who could have been well justified in saying, "Out of my own experience I cannot tell" could well say that on the basis of the sort of information which this committee will be able to bring to him from its own membership and from consultants, he can indeed be called upon to make a reasonable judgment in the same way as he makes it every day in the court on the basis of evidence put to him.

Hon MAX EVANS: Let us leave the judges and get onto the second leg of the double. Why will the Attorney General not go along with the legal practitioners and the Law Society in having a practitioner in private practice? The word "practitioner" could include a practitioner in private practice. That would be my interpretation, but they obviously do not think so. Why does the Attorney General still hold back from putting in the words "in private practice"? Otherwise, in fairness, it could be someone from the Attorney General's department, the Crown Law Department, or somewhere like that.

Hon J.M. Berinson: It could be me -- I am a very fair chap.

Hon MAX EVANS: Would the Attorney General please explain that? I know legal practitioners have made submissions to him because he has not included the words "in private practice", and they feel very strongly about this point.

Hon J.M. BERINSON: I have already said why, but I will put the argument again. However, I preface it by saying that I do not exclude the possibility of appointing a practitioner in private practice to this position. That is a situation which is open, and it would be considered at the time of appointment, along with all of the other considerations that go into the melting pot every time any sort of appointment is made. There is no question of excluding experienced practitioners in private practice. Nonetheless, I think I should make it very clear that in my view it is important also to leave open the way to the appointment of experienced practitioners who are not in private practice.

That returns me to the point I made earlier about the difficulty of objective judgments by people whose own practices are directly involved in the decisions they are being called upon to make -- not only that, but by people who inevitably would be subject to very significant peer pressures.

In those circumstances, it really is essential to leave open the possibility of appointing practitioners of long standing but who are not necessarily in private practice. Ideally one would look for people with substantial experience in private practice, but there is a further range that would be open by leaving in the more general definition, and I think it is very proper that it be left open.

Hon JOHN WILLIAMS: I have taken on board all of the remarks about the judges. It amazes me that any of them were foolish enough to accept this appointment after reading in the Press so much about the workload. Three years ago the Chief Justice appealed for more judges because of the workload. A case is now being considered by three judges -- not in this country -- and they have had to do a tremendous amount of work in evaluating evidence, which I think ran to something like 5 000 pages.

I will go along with the Attorney General if he will go along with me. I will accept what he said about the retired judges if he deletes "or retired", and inserts the following --

- (ii) a practitioner of not less than 8 years' standing;
- (iii) a practitioner in private practice of not less than 8 years' standing.

That incorporates what the private practitioners want -- a panel of names will be submitted to

the Attorney General, who must not forget that he will control this situation. The Attorney General will have his practitioner who is not in private practice. He will have a choice of a sitting judge, a practitioner of eight years' standing, and a private practitioner. There are three categories to go out. I think that will encompass some of the objections that some people have.

What I am really saying is that we have the Attorney General's amendment D, which adds subparagraphs (a)(i) and (a)(ii), and Hon Max Evans's amendment E relating to a proposed new paragraph (a). Perhaps there should be a further subparagraph numbered (a)(iii) reading --

A practitioner in private practice of not less than 8 years' standing.

I am not going to suggest the awful word, but the real word is compromise -- to satisfy all parties and yet be fair to the panel.

Hon J.M. BERINSON: I indicated before that I would be amenable to a suggestion about the retired judges, and I would not want to insist on that provision. But I really do not understand the point of the next suggestion which Hon John Williams makes. Indeed, without being provocative or excessively critical I have to say it adds nothing at all. I think we have said that the words in the present Bill, namely, "a practitioner of not less than 8 years' standing", must necessarily include any practitioner of eight years' standing, whether in private practice or not.

Hon John Williams: Accepted.

Hon J.M. BERINSON: If that is accepted I would be happy, subject to whatever procedures are required to do that, to seek leave to change the wording of my amendment to delete the words "or retired" in subparagraph (i) in amendment D on the Supplementary Notice Paper.

The CHAIRMAN: At this stage we are still working out what words are to be deleted, and the Attorney General can change the words as he has not moved the amendment yet.

Hon J.M. BERINSON: I will indicate in advance, then, that subject to the words being deleted I will move the amendment as listed on the Supplementary Notice Paper but with the deletion of the words "or retired". What really should be deleted are the words "sitting or retired". A judge of the Supreme Court can only refer to a sitting judge.

The clause was amended, on motion by Hon J.M. Berinson, as follows --

Page 5, lines 17 and 18 -- To delete all words after "(a) a chairman, who shall be --" and substitute the following --

- (i) a judge of the Supreme Court or the District Court; or
- (ii) a practitioner of not less than 8 years' standing;

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

Page 11, lines 1 to 14 -- To delete proposed section 58Z.

In my reply to the second reading debate I referred at length to the reasons for this deletion, and I do not think they need to be repeated.

Amendment put and passed.

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

Page 11, lines 20 to 25 -- To delete the lines and substitute the following --

- (2) The report referred to in subsection (1) shall be published in the Gazette as soon as practicable after the report is received by the Attorney General.

The Bill as drafted would have allowed decisions of the committee to be disallowed by either House of Parliament by the normal processes that apply to regulations. The Government has accepted the arguments of the Law Society and others, including Mr Evans, that that should not be the case. I stress, however, that the original provision would do no more, at least in respect of the Supreme Court rules, than preserve the present position. This was not a new imposition. In other words, in respect of the Supreme Court scale, it could now be disallowed by the Parliament; in respect of the Local Court scale, we are dealing with matters currently completely within the Government's discretion.

Amendment put and passed.

The clause was further amended, on motion by Hon J.M. Berinson, as follows --

Page 11, line 29 to page 12, line 9 -- To delete subsections (4), (5) and (6) of proposed section 58ZA.

Clause, as amended, put and passed.

Clauses 10 and 11 put and passed.

Clause 12: Section 65 repealed and a section substituted --

The clause was amended, on motion by Hon J.M. Berinson, as follows --

Page 13, line 15 -- To delete "42" and substitute the following --

30

Hon MAX EVANS: I move an amendment --

Page 13 line 23 -- To delete subsection (3) of proposed section 65.

I spoke very strongly on this matter in the second reading debate. It seems peculiar to impose upon members of the legal profession a requirement that they must indicate at the bottom of their bills that within 30 days of receiving the bill the client may require the legal practitioner to itemise the cost and the taxation involved. This seems to be an unnecessary added burden on legal practitioners. Most people who deal with lawyers or with people such as architects and surveyors know that they can apply to a court to have any bill itemised. Often, people dealing with lawyers will have them itemise their bills anyway.

I would like the Attorney General to explain firstly just from where this provision originated. Was it one of those magical provisions from State X, Y, or Z; was it from the Barristers Board; or was it from the head of someone in his department?

Hon J.M. BERINSON: The provision did not come from the Clarkson committee report, and at the moment I cannot recall from where it came. Further, I cannot see that it matters. It is a proposal that was put up for the consideration of the Government and adopted, and there are very good reasons for it. In those circumstances the origin or inspiration of the provision really should not concern us. As I understand it, no-one is questioning that the historic ability provided by the Legal Practitioners Act for itemised bills of cost and for taxation of costs should continue. It is further accepted that that is an important right which ought to be preserved. All this provision does is to say that if it is an important right, people ought to know they have it.

I do not think I would be far short of the mark in saying that 95 per cent of clients who would bother to seek an itemised account or go to taxation simply do not know that these rights exist. I will correct myself at once: I think that is giving that a reference. Probably 95 per cent would not know that the right to an itemised account exists and a much higher proportion would not know that the right to taxation exists.

What happens in a typical case? In the typical case a dissatisfied client of a solicitor does not know what to do and, in some loose sort of way by complaint to a member of Parliament, to a friend, to the Ombudsman -- although the Ombudsman has no role here -- or to the Citizens Advice Bureau, is directed to these provisions allowing for itemised bills and for taxation. In the vast majority of cases, all that has taken 30 days and the right is gone. At best, he is then open to either seeking some voluntary extension of time or, in the case of taxation, if I remember the position correctly, he can make formal application for an extension of time. None of that makes much sense, does it? Either we decide it is a right that ought to be preserved and people ought to know about it, or we should give the game away and say it is not an important right. As it is, the right is very much affected by the ability of practitioners, under the Legal Practitioners Act, to contract out of the established scales of costs. I do not think we ought to take that process any further.

In summary, this proposal stands clearly on the merit that the right is an important one to preserve and that it ought to be brought to the attention of the very limited proportion of clients who are likely to need to make use of it.

Hon JOHN WILLIAMS: The Attorney has pointed out, succinctly, the right to preserve, the right to inform, and the right to be informed. Recently, I received a solicitor's bill which was itemised, even to the cost of a telephone call to Merredin. However, let us consider the reverse side of the coin. Of the five per cent that will query an itemised account, a fair proportion of them will use Bankcard for payment. If they have 30 days to make payment, they will wait until the twenty-ninth day to pay. They will take the payment limit on the

second payment, again to the twenty-ninth day, giving them a total of 56 days to make payment.

Hon J.M. Berinson: But that is the current position.

Hon JOHN WILLIAMS: What happens, though, is that the solicitor is paying interest on the amount owed. This legislation should also protect the practitioner as well as the public. The Attorney said that, if a person is confused about what he should do about a bill, he could approach a relative or his member of Parliament to have it explained. However, will the practitioner pay to have the explanation printed or will he put a sticker on an envelope stating the facts? Those are all on-costs to the practitioner and many people will do their best not to pay bills which they consider excessive. The practitioner could be held up by some smart alec waiting for 60 days for payment.

Hon J.M. BERINSON: Hon John Williams' examples do not mesh. His opening comment referred to a number of solicitors' accounts which were fully itemised. In such cases, the first part of these provisions do not apply. The first 30 days only arises where a lump sum bill is issued. Proceeding with Mr Williams' example, we have an itemised bill which, at the most, is subject to 30 days' delay before a request for taxation. I think that 30 days is normal for having a bill paid.

As I pointed out in my reply to the second reading debate, people who attempt to use the taxing provisions for no better reason than delay will quickly find themselves in bother with additional costs because the practice is that, where taxation does not involve any substantial change from the bill as originally rendered, the cost of taxation is also borne by the client. I believe, then, that the fears about protracted time for payment are not likely to be reflected in the factual situation.

However, I come back to the point which I originally made, that no-one is suggesting that the right to do both of those things should be deleted from the provisions of the Legal Practitioners Act. The only question is whether we should bring them more clearly to the attention of clients. That is all that is involved.

Mr Williams raised a further matter about the additional cost of printing. I think that could be overcome by a reasonable period during which this provision was not enforced to allow the use of existing stationery supplies.

Hon MAX EVANS: When I asked the Attorney General what was the source of this wording, he said it was not relevant. When it suited him he referred to the Barristers Board and other sources of information and said that the words were right because they came from a certain place; but because it does not suit his argument on this occasion he has said it is not relevant.

Hon J.M. Berinson: It was an additional argument in the other case which I am saying is not necessary because the merits are so clear on their own.

Hon MAX EVANS: The Attorney General should have been completely honest -- perhaps he had an unfortunate occurrence with a lawyer, or someone in the Crown Law Department had not challenged a bill and it was missed, and that is why it is included.

Hon J.M. Berinson: I was honest. I said I did not know, and that is the honest answer.

Hon MAX EVANS: The term "lump sum" needs to be clearly defined. Let us look at the *modus operandi*. Whatever is on the bill of costs is a fee, even if it is negotiated it is a lump sum. Is that note required to be put on the bottom of all invoices?

Hon J.M. BERINSON: A lump sum fee, as it suggests, relates to a fee which has not been itemised. I do not know that I can take it any further than its obvious meaning.

Hon MAX EVANS: There has to be a clear definition for the lawyers so that they know when to put this on and when not to. I do not know the penalty if it is not included. Will they get a rap across the knuckles if it is not on when it should be? If it is negotiated, it is still a lump sum.

We are talking about an itemised bill; but even in that case the lawyers do not put a dollar value against each of perhaps 50 items and try to add them up. The items as a whole are detailed and the total fee appears at the bottom. The Attorney General referred to the Interpretation Act in his speech, and this definition must be clarified. At the moment nobody knows what is a lump sum and when the notice should be on the bill.

Hon J.M. BERINSON: I would like to be more confident than I am of the answer I am inclined to give Hon Max Evans on this question.

Progress

Progress reported and leave given to sit again, on motion by Hon J.M. Berinson (Attorney General).

ADJOURNMENT OF THE HOUSE: ORDINARY

HON J.M. BERINSON (North Central Metropolitan -- Leader of the House) [9.14 pm]: I move --

That the House do now adjourn.

US Agricultural Attache: Comments

HON J.M. BROWN (South East) [9.15 pm]: Before the House adjourns I want to raise a question referred to last Friday at the Cunderdin Agricultural College open day which I attended on behalf of the Premier. I made a fleeting reference to a report in *The West Australian* of Friday, 18 September by Michael Zekulich concerning the guest speaker at the WA Rural Press Club, the US agricultural attache in Canberra, Mr Jim Parker, who referred to the beef industry and the present situation.

I briefly referred to this Press report at the open day and indicated that I did not think that was an appropriate forum in which to take Mr Parker to task for what I considered were his ill-informed comments. This is a more appropriate place to raise the issue. Mr Parker was quite critical and scathing in his comments about Australian officials. I have no doubt about the accuracy of this newspaper report by Michael Zekulich, the rural Press reporter for *The West Australian*, and its contents have been confirmed by Daphne Cavanagh, the Western Australian officer for the Pork Promotion Centre. She was at the conference and confirmed that Mr Parker was critical of Australian officials.

I have just returned from a visit to the United States, and I am not saying this because of the knowledge that I and the parliamentary grain delegation gained there; but I want to clearly emphasise to Mr Parker, who accused Australian officials of not being as well informed as they should be of US farm and trade policies, that that is not the case. He exaggerated the situation when he suggested that Australian officials were ill-informed because the officials we met in the US and in Britain were very well informed about what was happening. I make particular reference, of course, to the Australian Wheat Board offices in London and New York, where the officers are not only attuned to what is happening in the US but are also effectively disposing of the Australian wheat surplus. Those officers had an intimate knowledge of the industry, and that was a credit to them. Furthermore, the official from the Australian Embassy in Washington, Mr Tim Mackey, who met us in Denver, Colorado, was well acquainted with the situation in the US. If there was a lack of knowledge, without being critical of the US Government officials or members of the State Legislatures, that is where the comments should be directed. It is important to note that Darryl Hanavan, executive officer of Colorado Wheat, commented that it was a pity more United States parliamentarians did not have a better knowledge of the situation, particularly the grain industry.

Mr Hanavan is a very competent person, as I think anyone who was present there would confirm, who was previously a lobbyist in Washington for the industry that he now represents. I suggest that Mr Parker should be rebuked for his comments. I think that they sadly reflect his ignorance of the knowledge that Australians generally have of the United States. I formed my opinion after mentioning those several items that have happened in New York and Washington, and I am also well aware of the situation that prevails in London, where we met the Australian Wheat Commission, and that organisation was certainly attuned to the situation that prevails in Washington.

While we have had problems with beef sales and the threat of pesticide residues -- and it was fair enough for Mr Parker to make his comments in that direction -- he sought to expand his knowledge to additional areas. I believe that the Western Australian Farmers Federation has a very intimate knowledge of what happens in the United States. I am confident that both the State Minister for Agriculture and the Federal Minister for Primary Industry have very intimate knowledge of what is happening in the United States. I am sure that officers generally within those departments and farming organisations have an intimate knowledge of what takes place in the agricultural industries generally.

As I said, I did not take the opportunity on Friday at the Cunderdin Agricultural College to

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voice my concerns about Mr Parker's remarks. I said that there was another forum to do that, and I believe this is the appropriate forum. I believe that the remarks made by Mr Parker, in reflecting on the activities of the people who are responsible within our industries, are remarks that certainly need to be refuted.

Question put and passed.

House adjourned at 9.23 pm

QUESTIONS ON NOTICE

HEALTH: DISABLED PERSONS

Intellectually Handicapped Minor: Sexual Offences

297. Hon P.G. PENDAL, to the Minister for Community Services:

- (1) Is the Minister aware of a recent case where a mentally handicapped minor, after committing a sexual offence and facing the Children's Court, was placed in a departmental open hostel and while there committed at least one other sexual offence?
- (2) Is it correct that there is no suitable place of security for mentally handicapped sexual and other offenders?
- (3) Is the establishment of a special security institution for mentally handicapped offenders being currently considered?
- (4) If not, will she take action to have such a place established?

Hon KAY HALLAHAN replied:

- (1) Yes.
- (2) Juvenile offenders with special disabilities are catered for within the department's current range of institutional and community-based facilities and services, subject to an appropriate court disposition.
- (3) No.
- (4) In view of the existing resources available, the establishment of a special security institution for mentally handicapped offenders is not considered appropriate. Where appropriate, the department would consult with the Health Department.

TRANSPERTH

New Livery

303. Hon H.W. GAYFER, to the Minister for Sport and Recreation representing the Minister for Transport:

- (1) Has the multi-million dollar paint job given to the MTT fleet led to an increase in passenger use as was freely forecast by the Minister at the project launching?
- (2) If so, what was the effect in --
 - (a) monetary terms;
 - (b) patronage?

Hon GRAHAM EDWARDS replied:

(1) There has been no "multi-million dollar paint job" at the MTT. If the member is referring to the change in corporate livery on the buses, coinciding with the corporate name change from MTT to Transperth in August 1986, he has forgotten what the Minister for Transport said at the time. Transperth livery is being applied to buses as they become due for routine repaint. The new colour scheme, being somewhat simpler than the old, may actually be cheaper to apply.

(2) While it is not possible to isolate monetary or patronage success as being specifically the result of any one initiative, the indications for the last financial year confirm that public transport has left the dark days of neglect behind --

- (a) Transperth's real "deficit" -- the net community expenditure -- was reduced by around \$1.2 million in 1986-87. In stark contrast to the days when the member sat on the Government side, the financial position is well in control;
- (b) Transperth patronage in 1986-87 increased by 1.2 million passengers, or two per cent. This marked the first time in over 20

years that public transport patronage increased in two successive years.

GOVERNMENT BUILDINGS

Perth Technical College Site: Lease

304. Hon N.F. MOORE, to the Leader of the House representing the Treasurer:
Further to my question 251 of Tuesday, 16 June 1987, will he please advise the anticipated cost of leasing the Perth Technical College site for 1988?
Hon J.M. BERINSON replied:
I refer the member to my letter to him dated 3 September 1987.

WATER RESOURCES: DAM

Harris River: Design

305. Hon W.N. STRETCH, to the Minister for Community Services representing the Minister for Water Resources:
- (1) Have the final design details been completed for the Harris River Dam?
 - (2) If so, have details been presented to the various shires --
 - (a) in the region of the dam;
 - (b) to be serviced with water from the dam?
 - (3) How is it intended that the Harris River Dam will be integrated into the great southern comprehensive water scheme?

Hon KAY HALLAHAN replied:

- (1) No. However, design is well advanced.
- (2)(a) Concept and general arrangement drawings have been presented to shires in the regions of the dam;
 - (b) to some shires.
- (3) The proposal is to lay new pipe to connect into the existing line and to serve the line from Wellington Dam.

ABORIGINAL AFFAIRS

Unemployment

306. Hon W.N. STRETCH, to the Minister for Community Services representing the Minister for Aboriginal Affairs:
- (1) What are the annual and quarterly unemployment figures for Aboriginal people in each of the following years in the State of WA --
 - (a) 1985;
 - (b) 1986;
 - (c) 1987 to date?
 - (2) What are the annual and quarterly employment figures for Aboriginal people in WA for the periods as mentioned above?

Hon KAY HALLAHAN replied:

- (1) I understand that unemployment statistics are maintained by the Commonwealth Department of Education, Employment and Training. I suggest that the member writes to the appropriate Minister to obtain this information.
- (2) I am not aware of any statistics being specifically maintained of employment figures for Aborigines or any other community group in Australia. However, the above department may provide further advice on this aspect also.

TRANSPORT FRANCHISE

Quindanning

307. Hon W.N. STRETCH, to the Minister for Sport and Recreation representing the Minister for Transport:

- (1) Does the Government have any proposal to end the transport franchise arrangement for the Quindanning area to open up this area to open competition?
- (2) If so, when is this likely to happen?

Hon GRAHAM EDWARDS replied:

(1) At this time there is no intention to deregulate transport to the defined Boddington-Quindanning area. However, transport is not regulated to the Boddington gold mine, which is within the defined Boddington-Quindanning area.

(2) Answered by (1).

LOCAL GOVERNMENT

Disadvantaged Shires: Survey

308. Hon W.N. STRETCH, to the Minister for Sport and Recreation representing the Minister for Local Government:

- (1) What has been the outcome of the work done by the economist from Curtin University who has been employed by 28 disadvantaged shires in rural Western Australia?
- (2) Has the Local Government Grants Commission had an opportunity to study the work done by this consultant?
- (3) If so, has the consultant's report resulted in any additional benefits being provided to these disadvantaged shires by the Grants Commission?

Hon GRAHAM EDWARDS replied:

(1) A copy of the final submission prepared by Drs Ian Kerr and Thorstan Stromback for 24 rural local governments has been forwarded to the Grants Commission.

(2) The submission was discussed by the commission at a meeting held on Tuesday, 1 September 1987.

(3) At this meeting the commission resolved to acknowledge receipt of the submission and to concentrate on investigating agricultural potential and road expenditure in respect of the 1988-89 allocation of grants. The commission will have discussions with those shires involved in the preparation of the submission.

MOTOR VEHICLES

Steering Wheel Locks: Compulsory

309. Hon H.W. GAYFER, to the Minister for Sport and Recreation representing the Minister for Police and Emergency Services:

With reference to the proposed compulsion to fit approved steering wheel locks to vehicles --

- (1) Does the proposal relate to all licensed vehicles, including trucks?
- (2) Has the Minister received any undertaking from the insurance industry that the proposal will result in lower vehicle insurance premiums?
- (3) Are any of the existing steering wheel locks that are operated by the ignition key considered to be of an adequate standard?
- (4) How will the police determine whether or not a steering wheel lock is being used when a car has been parked --

- (a) in a public place;
- (b) on private premises?
- (5) Will the police have the right to stop motorists to check whether they are carrying an approved steering wheel lock?

Hon GRAHAM EDWARDS replied:

When details of the concept under examination have been finalised, they will be made available.

EDUCATION: PRIMARY SCHOOL

East Greenwood: Building Programme

310. Hon N.F. MOORE, to the Minister for Community Services representing the Minister for Education:

In the Capital Works Budget, \$400 000 has been allocated to a building programme at East Greenwood Primary School. Will the Minister advise --

- (a) what the \$28 000 proposed to be expended this year is for;
- (b) what additions and improvements are planned which will cost \$400 000;
- (c) when construction will commence on the additions and improvements to the school?

Hon KAY HALLAHAN replied:

- (a) To document and prepare architectural plans for additions to the school;
- (b) a permanent pre-primary centre, new library, and covered assembly area;
- (c) during 1988.

EDUCATION: BETTER SCHOOLS

Disadvantaged Schools: Funding

311. Hon N.F. MOORE, to the Minister for Community Services representing the Minister for Education:

With reference to the school grant proposals of the Better Schools programme, will the Minister advise --

- (1) How will schools which were recipients of disadvantaged school funding be compensated?
- (2) What will happen if a school expends its school grant before the end of a financial year?
- (3) What criteria will be used to determine the amount of a school grant paid to each school?
- (4) Will the age and condition of a school's buildings be taken into account in determining the level of the school grant?
- (5) How often will the level of the grant be reviewed?

Hon KAY HALLAHAN replied:

All the issues raised will be considered by a representative committee which is currently addressing how a school grant will be allocated and how it will be implemented. No decisions have been made.

HOMESWEST

Lower North Province

313. Hon P.H. LOCKYER, to the Minister for Community Services representing the Minister for Housing:

How many Homeswest homes will be built in 1987-88 in --

- (a) Camarvon;
- (b) Exmouth;

- (c) Denham;
- (d) Meekatharra;
- (e) Wiluna;
- (f) Cue;
- (g) Mt Magnet;
- (h) Leonora;
- (i) Menzies;
- (j) Gascoyne Junction?

Hon KAY HALLAHAN replied:

In 1987-88 Homeswest will complete the following units of accommodation in the listed towns --

Camarvon	15
Meekatharra	2
Wiluna	3
Mount Magnet	2
Leonora	1

No units will be completed in the other towns listed. However, Homeswest is presently examining the possible relocation of houses from Koolyanobbing to towns in the eastern and northern goldfields which will complement the above. Additionally, a joint venture with the Shire of Exmouth, which will yield six aged pensioner units, is being progressed, and the units are expected to be completed in the first half of 1988-89.

ENERGY

Carnarvon Gas Lateral: Budget Allocation

314. Hon P.H. LOCKYER, to the Leader of the House representing the Minister for Minerals and Energy:

What will the amount of \$6.6 million allocated to the Carnarvon gas lateral be used for?

Hon J.M. BERINSON replied:

Constructing a natural gas lateral pipeline from the main pipeline near Gascoyne Junction to Carnarvon and associated works. The gas will be used as fuel in Carnarvon power station.

EDUCATION: PRIMARY SCHOOL

Wiluna: Budget Allocation

315. Hon P.H. LOCKYER, to the Minister for Community Services representing the Minister for Education:

What will the \$210 000 allocated to the Wiluna school be used for?

Hon KAY HALLAHAN replied:

Completion of works begun in the 1986-87 financial year. This comprises upgraded administration and staff facilities, replacement toilets and showers for students and staff, and general ground improvements.

BOAT HARBOUR

Carnarvon: Budget Allocation

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

What will the sum of \$86 000 allocated to the Carnarvon Boat Harbour be used for?

Hon GRAHAM EDWARDS replied:

\$86 000 has been allocated from the General Loan and Capital Works Fund to provide improved mooring facilities in the Carnarvon small boat harbour.

The funding will facilitate the construction of 12 mooring pens catering for vessels up to 15 metres in length.

LAND

Ningaloo Marine Park: Budget Allocation

317. Hon P.H. LOCKYER, to the Minister for Community Services representing the Minister for Conservation and Land Management:

With reference to the \$1 476 000 budgeted for the Ningaloo Marine Park, what will the funds be used for?

Hon KAY HALLAHAN replied:

As indicated in the Budget papers -- that is, page 9 of the Supplement to the Capital Works Estimates -- the funds will be used to construct and outfit a visitors' information centre adjacent to the Ningaloo Marine Park.

EDUCATION: HIGH SCHOOL

Carnarvon: Budget Allocation

318. Hon P.H. LOCKYER, to the Minister for Community Services representing the Minister for Education:

For what will the sum of \$366 000 allocated in the Budget for the Camarvon Senior High School be used?

Hon KAY HALLAHAN replied:

Completion of works begun in 1986-87. This work comprises replacement student toilets, a new teaching block containing media studies facilities, technical drawing, art craft, and a staff study, together with improvements to the manual arts area.

EDUCATION: HIGH SCHOOL

Exmouth: Budget Allocation

319. Hon P.H. LOCKYER, to the Minister for Community Services representing the Minister for Education:

What will the sum of \$10 000 allocated to the Exmouth District High School be used for?

Hon KAY HALLAHAN replied:

This amount is the retention amount on the project undertaken from the 1986-87 Budget.

QUESTIONS WITHOUT NOTICE

COMMUNITY SERVICES AGENCIES

Surpluses

- 161.Hon N.F. MOORE, to the Minister for Community Services:

Does the Department of Community Services have a policy with respect to the disbursement of surplus funds by private welfare agencies which receive State Government funding? In other words, if a private welfare agency, which is in receipt of State Government funding, has a surplus, does the Minister's department have a policy with respect to those surplus funds and how they are disbursed?

Hon KAY HALLAHAN replied:

If the honourable member would give details of the case which has perhaps generated the question, it might then be easier to follow through on the question. The question really is a bit meaningless as it stands.

COMMUNITY SERVICES

Emmaus Women's Refuge: Surplus

- 162.Hon N.F. MOORE, to the Minister for Community Services:

Did the Emmaus collective have a surplus of salary on-costs in the 1985-86 financial year of \$17 000?

Hon KAY HALLAHAN replied:

We are now getting to the point of the question. As I said in the House last week, the difficulties that have come to light at the Emmaus women's refuge are under investigation, and when I have the report on that matter, I will also know whether there was an excess of \$17 000 or not.

POLICE

Deputy Commissioner: Appointment

163.Hon P.G. PENDAL, to the Leader of the House:

Has the Premier conveyed to the Leader of the House why he was able to issue a one line denial in Canberra on Friday on question 321 before this House, but has been unable five days later to issue any denial to Parliament that he interfered with a high level police appointment?

Hon J.M. BERINSON replied:

No.

COMMUNITY SERVICES

Emmaus Women's Refuge: Funding

164.Hon N.F. MOORE, to the Minister for Community Services:

Are State Government funds made available to the Emmaus collective, and if so, what is the approximate annual grant?

Hon KAY HALLAHAN replied:

I think we explored some of this information last week. The Emmaus women's refuge is funded under the WESP subprogramme -- that is the women's emergency services programme -- which is one of three subprogrammes of the supported assistance accommodation programme, which is a State and Commonwealth-funded emergency accommodation programme. Off the top of my head, I cannot give the figure which that particular refuge does get, but I am happy to get that information for the member.

Hon N.F. Moore: It does get State funds, though?

Hon KAY HALLAHAN: It receives State and Commonwealth funding.

Hon N.F. Moore: Which means it comes from the State?

Hon KAY HALLAHAN: Some of it comes from the State and some from the Commonwealth.

COMMUNITY SERVICES

Emmaus Women's Refuge: Surplus

165.Hon N.F. MOORE, to the Minister for Community Services:

Is it correct that an officer of the SAAP -- supported accommodation assistance programme unit -- of the Department of Community Services advised the Emmaus collective not to return any surpluses and that they should decide themselves how those surpluses were to be distributed?

Hon KAY HALLAHAN replied:

That is one of the points to be addressed under the investigation to which I referred.

WORLD SWIMMING CHAMPIONSHIPS

Problems

166.Hon MAX EVANS, to the Minister for Sport and Recreation:

Could he please clarify a statement made in the paper this week in respect of the world swimming championships to be held at Beatty Park? Is the Swimming Association well aware of the problems?

Hon GRAHAM EDWARDS replied:

I am not able to give the member much more information than that which was in the paper, except to say that we are working through a range of options based on

costings. When we have all of that information before us, we will make a decision. It is a little more complicated than perhaps the member understands; but I would be more than happy to provide a briefing for him so that he has all the information that I currently have available to me. I thank him for his interest in this matter and assure him that any decision taken will be taken in the best interests of swimming in this State.

POLICE

Deputy Commissioner: Appointment

167. Hon P.G. PENDAL, to the Leader of the House:

I address a supplementary question to the Leader of the House. Will he seek to expedite the Premier's answer to question 321 on the possibility of the Premier's political interference with a high level police appointment?

Hon J.M. BERINSON replied:

I will draw the Premier's attention to the member's question.

COMMUNITY SERVICES

Women's Refuges: Investigation

168. Hon N.F. MOORE, to the Minister for Community Services:

Are any other refuges under investigation in the same way as the Emmaus refuge is under investigation?

Hon KAY HALLAHAN replied:

No.

AUDITOR GENERAL'S REPORTS

Consolidation

169. Hon MAX EVANS, to the Minister for Budget Management:

I understand that the Auditor General's report will be presented in 45 sections, one for each department. Could the Government consider having a bound copy comprising all departmental reports rather than having 45 separate reports?

Hon J.M. BERINSON replied:

I am happy to have that considered, but I am frankly not personally aware of what technical factors might be involved.

Hon Max Evans: At present every department's report is found within the Auditor General's report. I have been advised by the Auditor General that there will be separate signed accounts by the principal accounting officer. The Minister will find one main bound copy easier for himself.

COMMUNITY SERVICES

Child Day Care Centres: Subsidies

170. Hon P.G. PENDAL, to the Minister for Community Services:

(1) Is it correct that the day care subsidies are paid to some centres and not to others?

(2) Does the Minister recognise the inequity to a parent whose child qualifies for a subsidy but must travel past a non-subsidised centre in order to get to a subsidised centre?

(3) Will she consult with the Commonwealth on the possibility of paying the subsidy to the child and not the centre?

Hon KAY HALLAHAN replied:

(1) to (3) At present there are Government-funded centres which do have a subsidy applying from the Commonwealth Government. The member in referring to parents driving past child care centres is referring to privately-owned child care centres. The clear policy of the Federal Government is that the subsidies are made available through their funded programmes and not to subsidise private businesses, which is what the effect of the member's submission would be in subsidising the children.

I will be meeting with the Federal Minister responsible later this week, and we will discuss a number of issues; but, as I understand it, there is a very clear policy position which is not likely to be changed.

AGE OF CONSENT

Lowering

171.Hon MARGARET McALEER, to the Leader of the House:

In the light of concern expressed by members of the Country Womens Association, would the Leader of the House give an assurance that the Government has no intention of legislating to lower the age of consent?

Hon J.M. BERINSON replied:

The Government has no such proposal before it.

TEACHERS CREDIT SOCIETY

Rural and Industries Bank: Role

172.Hon MAX EVANS, to the Minister for Budget Management:

(1) Could the Minister clarify exactly the position regarding the R & I Bank and the Teachers Credit Society?

(2) Has the Government given indemnity to the R & I Bank?

(3) Is the Government managing or has it taken over the Teachers Credit Society?

Hon J.M. BERINSON replied:

(1) to (3) The Treasurer is responsible for both the R & I Bank and credit unions, and I ask the member to pursue his question in that light.
