

Legislative Assembly

Tuesday, 25 October 1988

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

PETITION

"The Last Temptation of Christ" - Banning

MR CUNNINGHAM (Balga) [2.17 pm]: I have a petition couched in the following terms -
To the Speaker and Honourable Members of the Legislative Assembly of the Parliament of Western Australia.

The undersigned citizens of Western Australia do humbly petition the Parliament that it will urge the government of Western Australia to exercise its lawful authority to ban throughout Western Australia the showing of the film, "The Last Temptation of Christ", which film is considered by many people to be blasphemous, which is offensive to many people and which lacks any substantial claim to literary or artistic merit.

And your petitioners as in duty bound will ever pray.

The petition bears 91 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 90.]

PETITION

Planning - Hope Valley Area

MR MARLBOROUGH (Cockburn) [2.19 pm]: I have a petition which reads as follows -

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

We, the undersigned, being residents of Hope Valley urge the Government to allow the Hope Valley area to have an emphasis on residential and recreational development as proposed by the Kwinana Town Council Planning Scheme No.2 to encourage the settlement of people and not create a buffer zone devoid of residents as proposed.

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

The petition bears 159 signatures and I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

[See petition No 91.]

FINANCIAL ADMINISTRATION AND AUDIT ACT

Report Tabling - Extension of Time

THE SPEAKER: I have been informed of the following ministerial approval for an extension of time for the presentation of annual reports for 1987-88 in accordance with the Financial Administration and Audit Act 1985 -

Minister for Local Government -

Local Government Superannuation Board.

Minister for Health -

Local Health Authorities Analytical Committee.

[See paper No 502.]

MATTER OF PUBLIC IMPORTANCE - PETROCHEMICAL PROJECT

"Blue Sky" Payment - Rothwells Ltd Rescue

THE SPEAKER: I received a letter today from the Leader of the Opposition seeking to debate as a matter of public importance the Government's denial that the \$400 million payment for the petrochemical project is related to the Rothwells rescue, and the fact that it will cost \$125 per family per year to finance.

If sufficient members agree to this motion, I will allow it.

[Five members rose in their places.]

The SPEAKER: In accordance with the Sessional Orders, half an hour will be allocated to each side of the House for the purpose of this debate.

MR MacKINNON (Murdoch - Leader of the Opposition) [2.26 pm]: I move -

That the Premier and Deputy Premier be called on to apologise to the Parliament for consistently denying that the Government's share of the \$400 million "blue sky" payment for the Government's share in the Petrochemical Industries Company Limited project was not related to the Rothwells rescue when in the words of the Deputy Premier himself -

We told Alan Bond we were prepared to take some of the risk in the Petro Deal if he would eliminate our \$150 million guarantee. He hasn't actually taken it over, he's made some arrangement with Connell's private company, which allows Connell to buy \$350 million worth of problem loans this way. It's quite common to buy loans this way. We are taking a risk with the project, sure, but it's a fair risk. We believe it's a good project.

In addition the Parliament expresses its concern at the fact that this decision will cost every Western Australian family \$125 per year to service this "blue sky" payment.

Since 6 October the Government has been strenuously trying, in a sustained and valiant yet unsuccessful effort, to justify its part in a \$400 million blue sky payment to get the petrochemical project "established here in Western Australia". To do that, the Government has referred to a valuation that it has not been prepared to release. In fact, I do not believe it to be a valuation at all but merely an expression of comments upon certain parameters and assumptions made. As I will explain to Parliament later, those comments are based on very poor assumptions which make the projections in that estimate very doubtful indeed.

We have also heard consistent denials from the Premier and the Minister for Economic Development and Trade that there was any link between this investment and the Rothwells guarantee which was put in place almost 12 months ago to the day. There have been continual denials that this project has anything to do with that at all; the Government has invested in this project either because finance could not be put in place - which I will come to in a moment - or because it is such a wonderful contract it could not be resisted. We have also been told by the Government that this is such a tremendous project, that the contract which the Government has negotiated overseas at ruling world commercial prices - which I guess could be negotiated with almost anybody, and does not provide any great advantage - meant that the Government had to spend \$175 million of the taxpayers' funds for blue sky.

Despite those denials, what we now have from the Government of Western Australia is a payment of \$175 million for blue sky - a block of land which is not yet even owned, as we explained to this Parliament last week and has been explained in *The Australian Financial Review* today, by the company, which will come out of the extra \$800 million which is being financed on a so called non recourse basis by the project.

The Minister for Economic Development and Trade who, I understand, will respond today, has not been prepared to indicate to Parliament or the people of Western Australia how that loan will be serviced. How will WA Government Holdings pay the outstanding interest for the five to 10 years when it does not receive any income at all from this project? A debenture of \$175 million will be paid from the State Government Insurance Commission to WA Holdings, with no explanation as to where it will come from. The only explanation we have been given is that it could come from 100 different ways - from robbing a bank, putting up taxes or relying on the consumers of the State Energy Commission, which is who the

Government is relying on to fund the debt. No explanation has been given as to where this money will come from.

Mr Parker: I have, I spoke for half an hour two weeks ago.

Mr MacKINNON: The Minister for Economic Development and Trade said the money could come from anywhere and gave half a dozen examples, but there has been no definitive explanation as to where the money will come from. The bottom line is that that commitment will cost the taxpayers of this State \$125 per family per year. For how many years? It will probably be five to 10 years before we see a cash return to the Government of Western Australia. The project will take three years to build and then, in the Minister for Economic Development and Trade's words, the non recourse loan could take probably nine years or even 12 years to repay, depending on world prices and the profitability of the project.

Mr Peter Dowding: Did you ever consider what you were committing Western Australia to with the North West Shelf gas project?

Mr MacKINNON: We knew exactly what we were doing when we committed Western Australia to that project. It is the greatest project this State has ever seen and this State is now living off the benefits of it.

Why did the Government enter into the PICL project? Was it because of the finance? Are we to believe the Premier and Minister for Economic Development and Trade or are we to believe the man who, ostensibly, according to reports and from the Government, put the deal together, Mr Alan Bond? He indicated at his annual general meeting last week, and I quote from *The West Australian* -

Mr Bond said Mr Connell and Mr Dempster had been offered finance for the project before Bond Corp and the Government became involved and said he believed they would have got the project off the ground eventually.

If this project is so good and if it stands on its own on a non recourse loan basis without a Government guarantee - I put it to the House that a Government guarantee of some sort would have to be in there for the loan to be financed - why did not Mr Dempster and Mr Connell get it off the ground? Alan Bond said they would have and that finance was not a problem. That is what the man in whom this Government has placed its faith has indicated. He said that, not the Opposition. The finance could not have been a problem because the project would have got off the ground in any event. Was it because the Government and Mr Bond would gain exclusive right to a block of land? The company does not even own the block of land. If the Government does a search of the PICL project, as *The Australian Financial Review* did and as the Opposition did last Friday, it will see that the company was deficient by about \$20 million at the end of June. It did not even own the land.

Mr Parker: I told the Parliament that two weeks ago.

Mr MacKINNON: Why did it buy the company? Was it because all the approvals were in place? Did the company have an exclusive contract? The Government gave it the contract - the licence or the right or whatever one wants to call it. Was it because the Government had the experience? Did the Government go into this because it could bring experience to the project? None of those reasons underpinned the reasons for the Government's becoming involved in the project. In fact, the real reason which everyone in this State understands and which was summed up by *The West Australian* and by almost every informed journal in Australia was to rescue Rothwells Ltd for the second time.

The article from which I have quoted in the motion comes from the *Australian Society* of October 1988. It was written by Jan Mayman who happens to be an active member of the Australian Labor Party. Does the Minister for Economic Development and Trade deny that?

Mr Parker: I have no idea. I don't know.

Mr Clarko: They do know; they are running for cover.

Mr MacKINNON: They are now denying her involvement. They do not want to know her. Mr Speaker, she will be interested to know that, as a loyal member of your party.

The SPEAKER: Order! Their party.

Mr MacKINNON: I am sorry, Mr Speaker, their party. The Minister for Economic Development and Trade told Jan Mayman -

We told Alan Bond we were prepared to take some of the risk in the Petro Deal if we would eliminate our \$150 million guarantee.

In other words, the investment in the PICL project was totally dependent on the removal of the \$150 million guarantee. Why was the Government so concerned about that guarantee? Can the Minister for Economic Development and Trade explain to us why he was so concerned about Rothwells? Is he still concerned about Rothwells? Is the Premier concerned about Rothwells?

Mr Parker: No.

Mr MacKINNON: Is he not concerned about the health of Rothwells?

Mr Parker: No.

Mr MacKINNON: Was he at that time?

Mr Parker: No. I will go through the transcript of the Press conference. What she says in her article is not dissimilar from what we said at the time we announced the project.

Mr MacKINNON: It is a direct quote.

Mr Parker: It is not the same. Maybe she was at the conference.

Mr MacKINNON: It is a direct quote, so it should be word for word. Is the Minister for Economic Development and Trade claiming that she is not telling the truth?

Mr Parker: That quote is certainly not correct.

Mr MacKINNON: Is the Minister claiming that she has misquoted him?

Mr Parker: What I am saying is -

Mr MacKINNON: The Minister for Economic Development and Trade told Alan Bond that the Government was prepared to take some of the risk in the petrochemical deal if he would eliminate the Government's \$150 million guarantee.

Mr Parker: Do you want me to answer you?

Mr MacKINNON: The Minister for Economic Development and Trade can answer when he is given the call. Clearly the Minister was concerned then about the health of Rothwells. Was he concerned about the health of Rothwells?

Mr Parker: Do you want me to answer the question?

Mr MacKINNON: Why expire the guarantee? In the words of a former Premier, the guarantee would never be called on because it was as solid as a brick. He said it would never be needed. He said only 50 per cent in the next year would be required to be retired. Why does it need to be retired now?

Mr Parker: You were saying that it should never have been put in place in the first place.

Mr MacKINNON: Does the Premier say the guarantee was at risk?

Mr Peter Dowding: You know perfectly well that an exposure was in existence. We have said at all times that we would be happy to see that exposure put to work.

Mr MacKINNON: Was the Premier concerned that the \$150 million guarantee was at risk?

Mr Peter Dowding: It was an exposure and I was happy to see the exposure put to work.

Mr MacKINNON: How?

Mr Peter Dowding: For the benefit of everybody in this State.

Mr MacKINNON: Put to work for Mr Connell, one of those small Western Australians that this Government is battling to look after. I am sure the next advertisement on television will feature Laurie Connell telling us how the Government is fighting to protect this small Western Australian by paying him \$175 million for blue sky. We will give the Government money to keep running the ads. We think they are great and I hope the Government keeps them going. It is the best thing the Government has done for us this year. The Government's actions in this regard are a clear demonstration that it is in real trouble.

The people of this State are entitled to know why it was necessary to rescue Rothwells again. The Minister for Economic Development and Trade admitted it quite openly, despite his

constant denials. If he denies that I will challenge him, as a member of the most litigious Government this State has seen, to issue me with a writ. Why has the Government not issued writs against every person, including me, who has made statements in public about this matter.

Mr Parker: What for?

Mr MacKINNON: For making a statement of fact.

Mr Parker: That is not defamatory.

Mr MacKINNON: The Government has done that at the drop of a hat. If that is the case -

Mr Parker: You challenged me to take out a writ two years ago.

Mr MacKINNON: - why did the Government put money into Rothwells? If a valuation, not just an estimation, was made on projections and assumptions why is it being kept secret? The Government's excuse that it is "commercially confidential" is wearing thin. Why is there a conflict between the Minister for Economic Development and Trade's public statement in the Mayman article, the Premier's comments and the announcement by Mr Bond about the project? Why will every Western Australian family have to find \$125 per year for the next 10 years?

Mr Parker: You know that is not true.

The SPEAKER: Order! The Minister for Economic Development and Trade will cease interjecting.

Mr MacKINNON: They are the questions that have been continually asked over the last three weeks and they remain unanswered. A conflict remains. It is time the Government came clean and explained the reason it was necessary for it to rescue Rothwells, not invest in the petrochemical project, through its contribution to the \$400 million blue sky payment, and it will have to do more than to advertise on television its actions in relation to Teachers Credit Society. The Government will have to be prepared to warm the benches on this side of the House which are invitingly waiting for it.

MR PARKER (Fremantle - Minister for Economic Development and Trade) [2.42 pm]: I will deal with the absurdities of the motion moved by the Leader of the Opposition. Is it not extraordinary that the Opposition has chosen to deal with what it regards as an inconsistency which, even if it were -

Mr Lewis interjected.

The SPEAKER: Order!

Mr PARKER: - I will demonstrate in a moment that it is not - is of the most minor in character than any of the issues -

Mr Lewis interjected.

The SPEAKER: Order! I just called for order and when the Minister for Economic Development and Trade had said only a few words, the member for East Melville saw fit to again interject. I hope I do not have to draw his attention again today to his breach of Standing Orders.

Point of Order

Mr CLARKO: Mr Speaker, I take it that you, in your ordinary way, would accept a similar number of interjections as were indulged in by the Minister for Economic Development and Trade during the speech of the Leader of the Opposition.

Debate Resumed

Mr PARKER: If it were the case that some inconsistency was demonstrated in the article concerned, of all the things I would have thought that one would choose to discuss about this subject, it is about the most insignificant. I will deal with the matter as it has been raised. I am surprised that Opposition members are such avid readers of *Australian Society* because it is a fairly left wing publication, but one which draws attention to important issues in our community. I am delighted that Opposition members have taken to reading it and I hope they will continue to read it. Perhaps they will take out an annual subscription, which will improve the publication's profitability. I wonder whether they are interested in other aspects

of it. It would be a real test of the Opposition's sincerity on a range of matters. The article which the Deputy Leader of the Opposition has quoted was written by Jan Mayman; she is a highly respected journalist but I am not aware of her political affiliations.

Several members interjected.

Mr PARKER: I would be surprised if she were a member of the Labor Party, but she certainly is a person of progressive orientation.

Mr Lightfoot: She is to the left of Karl Marx.

Mr PARKER: I would not say that. Doubtless the member for Murchison-Eyre is a student of Karl Marx and he is able to identify where, on the political spectrum, any person stands. The real position for him, of course, is that anyone who is to the left of Hitler is a dangerous subversive and that probably includes both myself and Jan Mayman. We would be fairly wide apart on the spectrum, but according to the member for Murchison-Eyre we would be on the same spectrum.

Mr MacKinnon: Where is Jan Mayman on the political spectrum?

Mr PARKER: I do not know and I am not interested.

Mr MacKinnon: I thought you said you did not know who she was.

Mr PARKER: I did not say that; I said she is a journalist of considerable repute and a winner of a Walkley award. She writes about social rather than financial issues, and she is a journalist of considerable repute particularly in relation to those issues. I have read the article and I have been a subscriber to *Australian Society* since its inception. It probably goes to prove what the member for Murchison-Eyre thinks about Jan Mayman and me. Like most members in this House I have spoken to Jan Mayman on numerous occasions. However, I do not have any recollection of talking to her about this issue. It is conceivable that she obtained the information from various public statements of the Premier or, indeed, from statements made at the Press conference. I cannot recall using the precise words that she uses in the article, but they are the sorts of things we have been saying for weeks since the project was first announced.

Mr MacKinnon: Are you saying that the Walkley award winner did not record you accurately?

Mr PARKER: I am about to tell the House what we said.

Mr MacKinnon: What you said then.

Mr PARKER: When the Leader of the Opposition was on his feet and I was seated he wanted me to answer questions and now that I am standing and he is seated, he wants to stop me answering questions.

Mr MacKinnon: Are you saying she recorded you inaccurately?

Mr PARKER: At the Press conference the Premier was asked whether there was a coincidence between the Rothwells Bank guarantee being retired and the Government's go-ahead for this project. He said, "There is no coincidence. We made it quite clear that we are not prepared to invest \$175 million while we have other exposures." That is what he said and that is precisely what Jan Mayman recorded me as saying: "The Government is not prepared to invest \$175 million while it has other exposures and it is essential from the Government's point of view that no exposures exist. Now you know that we have had an exposure at no cost to the taxpayer - an exposure which has not cost one cent and which is going to be retired." That is what the Premier said on 6 October, three weeks ago, and it is entirely consistent, almost word for word, with what I said and with what Jan Mayman has picked up. There is no inconsistency at all. I go back even further to 28 July when the Premier announced that the Government's intention was to participate in this project. He said the project gave the State an opportunity, on the one hand, to retire that guarantee and, on the other hand, to ensure that this project proceeds. The Government has not made any secret of the fact that the project's going ahead is one of the factors that has enabled the Rothwells guarantee to be retired, as the Premier said by way of interjection.

Mr MacKinnon: Why do you want it retired?

Mr PARKER: For the same reason as the Opposition said the Government should not have

put it there in the first place. The Opposition was of the opinion that the Government should not have put taxpayers' funds at risk by that exposure.

Mr MacKinnon: Now you agree.

Mr PARKER: What we agree to, what we have always acknowledged and what I spent two and a half hours explaining to the House when we made the decision last October, was that of course funds were at risk. If that had not been the case, we would not have been asked for the guarantee and that was stated.

Mr MacKinnon: So they were at risk?

Mr PARKER: Of course, they were at risk. We have always said that they were at risk. That is the reason that a Government guarantee is asked for. It eliminates the risk for other lenders.

Mr MacKinnon: That is not what you said at the time.

Mr PARKER: It is what I said at the time. I said that there was a risk. The level of the risk, the amount of the risk, and the likelihood of the risk ever being called on were certainly discussed at great length at that time. It was quite clear that the money was at risk. We wanted to eliminate that risk. The Premier and I have said publicly that we would far prefer to put that money to work in PICL and to have it create jobs for Western Australians, than have it at risk, however unlikely it might have been that that risk would be called upon. We said that if we were able on the one hand to retire the risk, and on the other hand to take up an equity position in Rothwells, that was a very positive thing to do.

Mr MacKinnon: An equity position in Rothwells?

Mr PARKER: We do not have an equity position in Rothwells.

Mr MacKinnon: That is what you just said.

Mr PARKER: I am sorry; I meant to say PICL. I can assure the Leader of the Opposition that we do not have an equity position in Rothwells.

Mr MacKinnon: Are you planning to have one?

Mr PARKER: No.

Even the Western Australian Chamber of Commerce and Industry (Inc) stated that although for a whole range of reasons it was philosophically opposed to Government investment in the project - that is its ideological position, and I accept that; it is also the Opposition's ideological position - it was far better to have this money at work as an equity participant in the petrochemical project than to have the risk of the guarantee at Rothwells. That is the position that the Government followed. What have we achieved? What has happened as a result of that? First, the Rothwells guarantee has been retired. I am astonished to hear that the Leader of the Opposition is now taking the line that there was something shonky about the fact that all of the guarantee, rather than only half of it, was retired. I thought he would applaud the fact that the whole of the Rothwells guarantee had been retired.

Mr Lightfoot: What about the way you did it?

Mr PARKER: The way it is done is one issue. The member for Murchison-Eyre should listen to the Leader of the Opposition, because the Leader of the Opposition is also saying that there was no need for the Government to retire the whole guarantee, that it could have retired only half of it. As I have said on God knows how many occasions, we are far happier not to be involved in companies, no matter how worthy or otherwise they may be; we are much happier being involved in doing something which brings this State a project which is the second most important project the State has ever seen.

Mr MacKinnon: What was the most important?

Mr PARKER: The North West Shelf project.

Mr Court: You have been knocking that for five years.

Mr PARKER: No, I have not. I have always said how important the North West Shelf project is. In fact, it was I who asked the Speaker of the day to convene a special sitting of the House in 1985 so that the LNG phase could go ahead because we had to rewrite completely all the arrangements which had been made in 1981 and 1982 by the previous Government.

Mr Grill: Which they then botched up.

Mr PARKER: The then Government botched up those arrangements and the phase would not have gone ahead had it not been for that special session of the Parliament and the work that we had done leading up to that in negotiations with the State as such and with SECWA.

We hear the Leader of the Opposition speak about the \$125 every family in Western Australia will give to pay for the debenture payments on the \$175 million of funds that WA Government Holdings has put into the project. He says that I did not explain how those payments would be funded. I certainly have not given a definitive comment about precisely how we will do it because that would not be prudent. It would not be the right thing to do from a State perspective because, as I have said, we could do a myriad of things.

Mr MacKinnon: It would not be prudent to tell the people of Western Australia what you will do with their money?

Mr PARKER: I will tell the Leader of the Opposition how we can do it - I have told him before, but I will tell him again - without adversely affecting any individual citizen in Western Australia. First, as the Premier pointed out when we first discussed this project two and a half weeks ago, even before the project starts operating, while it is still under construction, \$10 million a year will come in just in payroll tax and other taxes of that sort which would not exist were it not for this project. Those taxes provide for \$10 million of the \$23 million needed.

Far more than balancing up that \$23 million - or the \$13 million left after deduction of the \$10 million to which I referred - is the ability that we have to bring forward by nine years the date on which we can stop subsidising the SEC for the North West Shelf project. I have said that it is an important project and that it has created a substantial benefit for the State, but it has cost the taxpayers of the State very dearly indeed, although less dearly than it might have done had we not renegotiated the arrangements. You and I, Mr Speaker, and every other taxpayer in the State are subsidising the North West Shelf project at the moment as a result of the contract signed by the Opposition when in Government - admittedly to underwrite the project, to take over the private sector activities, and to build a pipeline which was to have been built by the private sector. One third of the gas project was the pipeline and the then Government had to build that because the private sector would not, and it had to underwrite it and so on. The fact that we could retire that subsidy nine years early in today's dollars will save us \$250 million, if we discount it back to today. If we look at it in actual dollar terms, we will save about \$450 million.

Mr Court: That is absolute nonsense.

Mr PARKER: It is not absolute nonsense. I presented the figures.

Mr Court: What, the First Boston Corporation letter?

Mr PARKER: No. Three weeks ago I tabled the Treasury figures which revealed how much we will be able to save by retiring this guarantee nine years early; the figure is \$250 million. I also revealed that in the first five years - the period to which the Leader of the Opposition keeps referring, the period before the cash flow begins - the saving is in the order of \$109 million, as compared to the figure of \$108 million to which the Leader of the Opposition referred as being the amount which the debentures would cost. The Treasury figures were tabled at the time. That is before we take into account the \$10 million a year that we will get in payroll tax and to which the Premier referred; it is before we take into account all the other social benefits of the project; and it is before we take into account the ability of the project itself to withstand some of that by additional borrowing or what have you.

Putting aside all the other benefits, the interest on the \$175 million -

Mr Lewis: It is a scam.

Mr PARKER: There speaks the man who described the First Boston Corporation disparagingly. The member had to apologise.

Mr Lewis: I did not apologise to anyone.

Mr Peter Dowding: Your party did.

Mr PARKER: The member's party apologised to the First Boston Corporation on his behalf. It was ashamed of him.

Mr Lewis: Talk about the biggest scam ever!

Mr PARKER: We know about that apology.

Mr Peter Dowding: Didn't they tell the member about it?

Mr PARKER: That is a bit rough.

That is before we take into account the jobs. We have heard the figures time and again. We are talking about 1 700 jobs on the project - 450 permanent jobs and between 2 500 and 4 000 new jobs indirectly, depending on what multiplier factor we take into account. Those jobs represent almost three quarters of a per cent of the entire State's work force. This is from a Government which has already well exceeded the promises that it made to the people of Western Australia in terms of job creation. The Government promised during its two terms in office that it would create 125 000 jobs; six months before the expiry of that time it has created 140 000 jobs. In the last six years of the Liberal Government there was a decline in the number of jobs.

Mr Clarko: What happened in the 1960s?

Mr PARKER: I accept that in the 1960s the Opposition when in Government created many jobs.

Mr Clarko: Twice the national average.

Mr PARKER: This State is growing at a rate of more than twice the national average; every indicator of economic activity one cares to examine, from job creation, to population growth, to electricity demand, and to housing approvals, shows that this Government has achieved extraordinary success, comparable to what I would acknowledge was the great success achieved during the last period of great Liberal rule in the 1960s.

Mr Clarko: Did you see the article in *The West Australian*?

Mr PARKER: A property developer was quoted by a journalist in an article in *The West Australian* saying that property development booms in Western Australia were nothing compared to those in Victoria. That may be the case, but the developments in St George's Terrace today compared with those of 1982-83, indicate the extraordinary difference between then and now. This Government has succeeded beyond anybody's expectations, beyond its promises, and beyond anything anyone could reasonably ask for in terms of economic management and job creation in this State. This petrochemical project will ensure that for the next 20 years this State's development will succeed just as much as it has succeeded in the past six years. There is no inconsistency in the remarks made by Jan Mayman; I have demonstrated that they are entirely consistent with comments made by the Premier and by me both in July and October. I am not sure where those comments originated, but they could have come from any of those conferences, or events surrounding them, because they are in absolute accord with what was said at those conferences and what the Government and I have been saying consistently.

MR COURT (Nedlands - Deputy Leader of the Opposition) [3.03 pm]: We have just heard a lot of words from the Minister for Economic Development and Trade, but he has refused to address the subject at hand. Government members appear to be a pretty nervous crew at the moment, and it is interesting to note that the Minister for Agriculture is becoming involved in the debate; no doubt he will be called upon to unravel some of the mess in this State.

The Minister for Economic Development and Trade is quoted in this motion as having told Alan Bond that the Government was prepared to take a risk with the petrochemical deal if he would eliminate the \$150 million guarantee.

Several members interjected.

The SPEAKER: Order! When members are making speeches, I have always endeavoured to ensure that they are allowed to speak for at least a minute, fairly free of interjections, so that members in this House have some idea of the direction of that speech. It is only fair and reasonable that the first minute of a member's speech be made without interjections.

Mr COURT: The report referred to has been made on the one hand, and in August this year the following statement, under the heading "Parker rules out petro link" -

The State Government yesterday denied that there was any link between its decision to buy into the Kwinana petrochemical project and its release from the Rothwells' bank guarantee.

The Deputy Premier, Mr Parker, told State Parliament that the Opposition's premise that they were linked was false.

That is typical of the confusion surrounding Government members; the Government is in total disarray with its WA Inc dealings, and the deceptions taking place, particularly with the Rothwells' rescue and the petrochemical deal, are incredible. People no longer believe what the Government says with regard to financial dealings in this State. The Government said that the Teachers Credit Society collapse would cost the State \$40 million, yet a few months later it amended that figure to \$120 million. Originally it was said that the Rothwells' guarantee was safe, that it would never be called upon, and that there was no risk at all. Today the Minister has said that the Government always knew that it involved a risk. The Government's rescue bid has failed; it has tried to pull a confidence trick with this petrochemical plant deal. At no time has the Government explained to this House how the Rothwells' rescue has worked. It has not explained the involvement of the SGIC or the State Superannuation Board, or why Union Credit was used to siphon funds. It has not explained the interaction between Edwards and Lloyd in their current and past positions in bodies which would have allowed them to pull the strings of different financial organisations. When the circumstances are fully explained to the public, who are gradually learning the full story about who has controlled the purse strings, they will be horrified. As a result of this Government's secrecy and its total disregard for Parliament, it is left to the Opposition to put the pieces together to get the full story. The public do not know the true story but by the time the next election arrives the facts will be exposed. The Government, with its huge public relations machine and the millions of dollars at its disposal to fund television, radio and newspaper campaigns, has still been unable to control the damage that has been caused by its financial incompetence. The Opposition bit by bit is pulling away the facade of this Government and the true story will be exposed. When that facade is pulled down, the Government will be exposed for the rotten, scheming, greedy Government it is, desperate to hide its financial incompetence over the last five years.

Labor supporters in the community are beginning to understand what this Government is up to. The only people who do not understand are some of the backbenchers; that is because they listen to the briefings given by their front bench colleagues and they believe them. Judging from the feedback received by the Liberal Party, Labor supporters in the community are not falling for that line. They know that this Government is in the middle of a massive cover up. I ask backbench members whether they support the Government's actions with regard to the Rothwells' rescue. The member for Perth has indicated his support; does the member for Cockburn support it? I have put the member in a spot because he may not want to answer that question.

The SPEAKER: Order! It would be much better if the Deputy Leader of the Opposition addressed his comments to the Chair.

Mr COURT: I ask members whether they support the Government's actions with regard to the Rothwells' guarantee and the way it has used the SGIC and the State Superannuation Board.

Mr Thomas: Unequivocally.

Mr COURT: The member for Welshpool replies "Unequivocally". What about the member for Pilbara?

Mrs Beggs: Do you support your leader?

Mr COURT: I certainly do. The Rothwells' fiasco will get worse because this Government has lost control of the situation. We have witnessed, and will continue to witness, the most monumental financial scandal to hit this State. When all the facts are known I am sure that members opposite will not be in Government. The Government will be thrown out of office as a result of the events that have taken place. I want to make it clear that the amount of \$175 million has not gone into the petrochemical plant deal.

The Premier said that taxpayers had an exposure of \$150 million and that the Government wanted to get rid of that exposure and put the money into something that would work for us. We know, and the Premier has admitted, that that \$175 million did not go into a petrochemical project but went back into Rothwells to enable it to pay out a guarantee - so \$175 million was used to buy back a guarantee which the Government had given in the first place. It does not matter what the Government tries to explain in this House, it cannot say anything different, because that is what happened with that \$175 million. What we have seen is the second rescue of Rothwells. What we are afraid of is that there might be a third or fourth rescue of Rothwells. Has the saga finished? Have we thrown away a few more hundred million dollars or are we to see further rescues of the Rothwells organisation? We are concerned that the whole truth has not come out about what is taking place with this Rothwells rescue; that there are probably other Government operations involved that could well be exposing taxpayers to a major liability in that operation. It is about time that the Premier, the Minister for Economic Development and Trade, and the Minister for Agriculture - if the Minister is being advised by the Minister for Agriculture - explained to the public the full story behind the Rothwells rescue. What has happened with the Minister for Agriculture, the Premier and the Minister for Economic Development and Trade? They have been caught out and have given completely conflicting stories about the connection between the petrochemical deal and the Rothwells rescue.

Mr Hassell: They are quiet now.

Mr COURT: Of course Government members are quiet now. They are nervous about what is taking place with these financial dealings. We will see the demise of this Government in the weeks ahead. It will be sunk by its own incompetence and lack of integrity. A few senior Ministers opposite will now start to panic because they have been telling the soft sell story about this matter to their constituents and colleagues about how they have all these fine details under control; but the message is getting worse and in the time leading up to the election - whether that be weeks or months - they will have to try to keep the lid on what is taking place. We believe that they will not be able to do that because we will make sure that it is all exposed. The TCS debacle, where the Government's financial incompetence cost taxpayers \$120 million, will look like a Sunday school picnic when the full story of the Rothwells rescue and the petrochemical deal comes out. I urge members to support the motion because it highlights the fact that this Government is in complete confusion over what is taking place with the Rothwells rescue and is trying to cover up. It is about time we had all the facts.

MR STEPHENS (Stirling) [3.12 pm]: Despite what anybody might say, it is my belief, and it is certainly the public perception, that the decision to invest in the petrochemical industry was a direct consequence of the Rothwells guarantee. It is worth reminding the House that in the event that the Rothwells guarantee was called on the Government had to come to the Parliament for the money. That may not have been a pleasant prospect for the Government because before supply of that money was granted there is no doubt that the Parliament would have required all the facts. The deal with PICL involved trading a potential Government outlay, which would have required parliamentary approval, for an outlay by a Government agency, which of course does not require parliamentary approval; so the risk of a full public disclosure of the matters relating to the Rothwells guarantee has been replaced by an entrepreneurial risk that is not the subject of full public disclosure.

Mr Peter Dowding: That is not correct.

Mr STEPHENS: I have only a couple of minutes to speak, so the Premier can make his explanation when he replies. The only way in which the facts about the PICL deal will be revealed is if there is a full and independent commission of audit. The only way for that to happen is for there to be a change of Government. The deal about which we are talking effectively keeps the lid on information that should be made public to electors if they are to make an informed judgment on this Government's performance. The motion deals to some extent with the inconsistencies between statements made by the Premier and the Minister for Economic Development and Trade. The real issue is the right of the Parliament, and through it the public, to know what is going on. If, as the Government has consistently claimed, the Rothwells guarantee was not a risk - or, in light of what was said earlier, the risk was minimal and it was unlikely that it would be taken up - there are obvious questions that must be asked. Why did Premier Burke commit his successor to a guarantee that goes into the

1990s? Why does Premier Dowding want so desperately to get out of that guarantee? Is it that the guarantee was going bad, or that Premier Dowding is uncomfortable with what the Burke Government left behind? If it was a sound decision for the guarantee to stand until it was partly retired this year and partly retired next year, what has happened? Whatever has happened an unwelcome precedent has been set by the Government's guarantee to Rothwells, which was made without parliamentary approval and retired without parliamentary approval, and about which the Parliament will not have an opportunity to approve the money used to retire it. This action holds significant implications for the relationships between Parliament and Government and should not be regarded as a precedent. To ensure that it is not so regarded, if there is any need in future for a guarantee to be given the National Party will ensure that such a guarantee will require the approval of Parliament. In that way, the Parliament can force the Government of the day to disclose all relevant information. The National Party supports the motion.

MR PETER DOWDING (Maylands - Premier) [3.17 pm]: I am disappointed with the National Party, which is beginning to sound like an echo of the Liberals.

Several members interjected.

The **SPEAKER**: Order! Members should realise that the same thing applies evenly to either side; that is, I consider it to be extremely rude for members to persistently interject during the first sentence of a speaker, and even during the first minute that someone is on his feet. Every person in this place has the right to at least get out his first few words without interjections to set the scene for what he will say.

Mr PETER DOWDING: I can understand the Liberal Party, which is driven by its desire to knock everything in order to achieve its political objectives, but the National Party must well know that Government guarantees are given regularly and reported to the House in the Treasurer's statement when he reports about the contingent liabilities of the State. There was a good example yesterday when a decision was made to provide a \$150 million guarantee in respect of the barley and lupin crops. That is \$150 million of State exposure for the benefit of the people who are effectively constituents of the National Party, or used to be but are now very much the constituency of the Minister for Agriculture. That is a good example of a \$150 million State guarantee, the highest guarantee ever given by a State Government, and given to those people because it was the right thing to do. I have the same problem as the Leader of the Opposition - not that I have challenges for my leadership; I have a sore throat.

If there was ever an example of the different philosophies of the Labor and Liberal Governments, it would come down to this: The Liberal Government negotiated - imperfectly - an exposure to the State of \$7 000 million, for which it did not receive the approval of Parliament. This was negotiated so imperfectly that it was left to the Labor Government to pick up the pieces and improve that exposure.

Mr Lewis: Was there an up front failure fee?

Mr PETER DOWDING: It was very different from that. The big difference between the Liberal Party when in Government and this Government is that in the end all we got was the exposure, with the possible upside of economic development. There was absolutely nothing in it by way of profit sharing, equity, or any of the things that will make this project so much more attractive.

The Liberal Party, in order to try to gain for the State some other objectives, gave away to a Korean company a large portion of the contract to lay the pipeline for that project. That company did not have the expertise or experience to do this, but the Liberal Party wanted to entice the Koreans to construct an aluminium smelter in Western Australia. That might have been a laudable objective, but the Liberal Party did not succeed because it was ideologically blinkered and did not have an understanding of what was needed to achieve that objective. The Liberal Party had to hide all of the State's exposure and pretend that it was not really there, and made a complete mockery of the contract system in order to try to achieve an objective which it failed to achieve.

Several Opposition members interjected.

The **SPEAKER**: Order!

Mr PETER DOWDING: The Leader of the Opposition should not keep misleading the

House. The Parliamentary Agreement Act not only kept confidential all of the critical materials that were needed to make a judgment about the project, but also kept confidential the confidentiality clause, so when the Minister for Economic Development and Trade published in 1985 the document identifying all of the issues relating to the North West Shelf gas project, he had to keep confidential the confidentiality clause; he was not allowed to publicise it. The Opposition was not able to get this project into place, despite all its talk about the desirability of a gas project and a petrochemical project.

This Government has been able to do two things, as I said at the news conference when I announced this project. First, this project will enable us to retire the guarantee. It will also provide for the State a substantial investment by bringing a major project to Western Australia. I am disappointed at the attitude of the Liberal Party because its members keep trying to diffuse the issue. This project is either good or it is not. I take it from the Leader of the Opposition's negative view that he does not regard it as a good project. I can tell the Leader of the Opposition, on the basis of the Liberal Government's statistical method for determining the value of a project, that it looks as though this project will create between 2 200 and 3 900 jobs during the period of -

Mr Court: But you are not yet building the project. The \$175 000 has not even gone into the project.

Mr PETER DOWDING: But it has done two things: First, it has acquired for the State nearly a 50 per cent share.

Mr Court: You could have had a 100 per cent share for \$175 000. You could have had it for nothing.

Mr PETER DOWDING: That is nonsense. We could have gone in and confiscated the whole lot. Is that how the Opposition wanted us to operate? We have got a share.

Mr Court interjected.

Mr PETER DOWDING: The Deputy Leader of the Opposition's sore throat seems to have improved, along with his emotions. Let me say to him that this project will give us in the vicinity of 0.7 per cent of the total State employment. It will give us during the operational phase over \$16 million a year, which will go directly into household incomes. The overall impact on household incomes will be up to \$90 million per year, or \$450 per annum, in every household in Western Australia. It will give this economy a stimulus of between \$413 million and \$486 million. That will not be achieved if the project does not get off the ground.

Several Opposition members interjected.

Mr PETER DOWDING: Even when I am saying what a marvellous project this is, members opposite are interjecting and arguing that it is not. I think they need to get their act together.

Mr Court: We are talking about the Rothwells rescue - come on!

Mr PETER DOWDING: The Deputy Leader of the Opposition might be, but all his sparring partners are attacking the project and what I am now saying about its value. I have said absolutely and unequivocally that I am proud we have been able to take steps to remove the exposure of the State in respect of the Rothwells guarantee, and we have at the same time ensured, by taking an equity position, that this project will be achieved for Western Australia. I can tell the Opposition - if its members want to rake over the coals of whether the Government commitment in respect of Rothwells should have been given in the first place - that in respect of that matter, and the WADC and the PICL project, the Opposition has been offered confidential, detailed briefings to give it all the information on which it could make a judgment, but its members have not been prepared to accept them. Opposition members want the luxury of standing on the sidelines and criticising the objectives.

I am very disappointed in the National Party because its members also have been offered these briefings, and I would have thought that information would have convinced even the National Party that this project is not only good for Western Australia but is vital for the future of this State and will enable us to remove the commitment that exists in respect of Rothwells.

Question put and a division taken with the following result -

Ayes (19)

Mr Blaikie	Mr Grayden	Mr MacKinnon	Mr Watt
Mr Bradshaw	Mr Greig	Mr Schell	Mr Wiese
Mr Cash	Mr Hassell	Mr Stephens	Mr Williams
Mr Clarko	Mr Lewis	Mr Fred Tubby	Mr Maslen (<i>Teller</i>)
Mr Court	Mr Lightfoot	Mr Reg Tubby	

Noes (28)

Dr Alexander	Mr Donovan	Mr Tom Jones	Mr P.J. Smith
Mrs Beggs	Mr Peter Dowding	Dr Lawrence	Mr Taylor
Mr Bertram	Dr Gallop	Mr Marlborough	Mr Thomas
Mr Bridge	Mr Grill	Mr Parker	Mrs Watkins
Mr Burkett	Mrs Henderson	Mr Read	Dr Watson
Mr Carr	Mr Gordon Hill	Mr Ripper	Mr Wilson
Mr Cunningham	Mr Hodge	Mr D.L. Smith	Mrs Buchanan (<i>Teller</i>)

Pairs

Ayes	Noes
Mr Thompson	Mr Pearce
Mr Cowan	Mr Troy

Question thus negatived.

BILLS (2) - ASSENT

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

1. Swan River Trust Bill
2. Agriculture Bill

LAND TAX ASSESSMENT AMENDMENT BILL

Second Reading

MR PETER DOWDING (Maylands - Treasurer) [3.32 pm]: I move -

That the Bill be now read a second time.

Two years ago, this Government introduced amendments to the Land Tax Act and the Land Tax Assessment Act which provided relief to all those liable for land tax. In particular, the amendments established a new scale of land tax rates which provided for lower assessments for all taxpayers. That represented the first significant modification of the scale for almost 20 years. It reflected the Government's desire to restrain increases in taxes and charges to reasonable levels, and I might say I am very pleased that is now showing up in the inflation figures published today. Moreover, pending the introduction of a new scale the Government had had the Act amended to provide for a rebate of 10 per cent on assessments in the previous two years.

The provisions of this Bill are a further indication of a willingness on our part to react quickly to counter an unreasonable increase in the tax burden which would otherwise occur through the operation of the legislation. For so long as property valuations remain the most appropriate basis for the application of land tax, it is proper that they be updated on a regular basis. However, recent increases in the valuation of a great many properties have been extraordinarily severe. For instance, a revaluation of the Perth Central Business District, which will come into effect for this current financial year, provides for new valuations which on average are 175 per cent higher than the previous valuations which came into effect in 1984-85. Although, under the principles on which the land tax system is based, these increases should not be put aside, I believe that some amelioration of their impact is well justified.

As the Land Tax Assessment Act stands at present, an increase in the valuation of properties following a revaluation by the Valuer General must be phased in over three years; that is to say, in the first year one third of the increase is added to the previous valuation, and in the

second year two thirds. The full valuation comes into effect in the third year after the increase. This Bill proposes that the present three year phasing in period for new valuations be extended to four years. This new measure will apply to all new valuations which come into effect as from the current financial year or any subsequent year. It will reduce by 25 per cent the increase in valuations which would occur if the three year period were to remain.

The Bill also seeks to amend the provisions of section 31 of the Land Tax Assessment Act. Under the Act, the Commissioner of State Taxation is authorised to amend an assessment which has been incorrectly issued. However, section 31 provides that no such error may be corrected beyond a retrospective period of three years except where the commissioner believes that the error has been brought about by a taxpayer's attempt to evade land tax by failing to lodge a correct return. Obviously, there must be some limitation on how far back the commissioner must go to correct an error which has disadvantaged a taxpayer, bearing in mind that each year the taxpayer has the right to object to and appeal against an assessment. The line must be drawn somewhere. However, in a number of cases where taxpayers have sought the correction of errors which have operated to their disadvantage, the three year limit has appeared inadequate. It is therefore proposed to increase this three year limit to five years.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Hassell.

CONSERVATION AND LAND MANAGEMENT AMENDMENT BILL

Second Reading

MR HODGE (Melville - Minister for Conservation and Land Management) [3.36 pm]: I move -

That the Bill be now read a second time.

This Bill provides two substantial and necessary improvements to the 1984 Act regarding marine reserves and the ability of the Department of Conservation and Land Management to participate in specified commercial activities.

The division of responsibility between the Minister for Conservation and Land Management and the Minister for Fisheries is clarified for the creation, planning and management of marine parks and marine nature reserves. The definition of marine parks in the Act does not include the activities of recreational or commercial fishing. Such activities are allowable in the State's two present marine parks by way of the present section 13(9) of the Conservation and Land Management Act which allows any other Act to prevail over the CALM Act in the event of conflict regarding marine nature reserves and marine parks. Effectively, section 13(9) allows fishing to occur under the provisions of the Fisheries Act 1905 in the existing marine parks and could allow fishing in any proposed nature reserves. The proposed amendment fairly and efficiently apportions responsibility between the two Ministers and affords a substantially improved degree of protection to marine reserves. The Act's definition of a marine park is effectively that of a national park. Section 13 as amended in clause 4 of the Bill will allow recreational or commercial fishing to occur in a marine park, in accordance with the Fisheries Act. Fishing will be subject to controls and management applying under the Fisheries Act and regulations. The definition of a marine nature reserve remains that of a nature reserve with no proviso to allow fishing to occur.

Clause 5 of the Bill states that marine nature reserves and marine parks will not be created without the agreement of the Minister for Fisheries. This will prevent the possibility of a marine nature reserve, in which fishing is not an allowable activity, being created over a valuable and traditionally utilised recreational and/or commercial fishing ground. Clause 8 of the Bill adds the definition of the Minister for Fisheries and clause 9 adds a separate paragraph stating the purposes of marine parks and marine nature reserves to be those detailed in clause 4 - section 13.

Clause 10 of the Bill requires a proposed - draft - management plan for a marine park to be submitted to the Minister for Fisheries. No such requirement is required for marine nature reserves where fishing will not be an allowable activity. If the Minister for Fisheries has made submissions relating to fishing to the draft management plan for a marine park, the

Minister for Conservation and Land Management is required under clause 11 to ensure such submissions are effected in the plan. If conflict arises, the Cabinet will decide. Clause 12 of the Bill includes a new division 3 in part VIII of the Act which relates to permission required to take flora or fauna from CALM lands. The new division 3 sets the conditions under which fish may be taken from marine reserves and the protection afforded to flora and fauna in such reserves.

New section 101A provides a definition of 'fish' and the act to 'take'. New section 101B provides for fish to be taken from a marine nature reserve or marine park for scientific purposes by way of a licence issued by CALM. If a conflict arises between the regulations made under the CALM Act and the Fisheries Act relating to a marine nature reserve, the CALM regulations will apply. Fishing is not an allowable activity in marine nature reserves. Penalties are set for unlawful taking of flora and fauna in any marine reserve in new section 101C.

Clause 13 of the Bill provides that the CALM regulations will not include powers which affect fishing in marine parks. Such control and management will be under fisheries regulations, as the Fisheries Department has the necessary expertise and staff. CALM regulations may include powers which affect actions incidental to the taking of fish; for example, where and how fishing boats are launched, where fishing nets may be dried, where fish may be cleaned, and whether spearguns may be carried. This power will not affect the methods by which fishing is undertaken; for example, trawling, lines, and traps. These methods will be subject to fisheries regulations. The amendments affecting marine reserves will provide equitable and workable arrangements between the Fisheries Department and CALM. Both departments have liaised closely on these amendments and I expect the close cooperation in policy and operations matters to continue. Both the Minister for Fisheries and I have also listened closely to the concerns of professional fishing organisations and I believe these amendments will be acceptable to those bodies. I re-emphasise that the amendments provide a more workable system for the protection of marine nature reserves and marine parks than exist under the present Act.

The other major area of amendment in this Bill is to allow the Executive Director of the Department of Conservation and Land Management to engage in commercial activities and timber sharefarming agreements. The reason for these amendments are twofold: The first objective is to provide for a mechanism to allow commercial involvement both in softwood and hardwood afforestation. Over a number of decades the State has borne the principal burden of capital investment in plantations. This resulted simply because of the long time required to grow trees to a size where they can be commercially utilised. However, while the State's return on this investment has been reasonable, in the current environment it is unlikely that any State Government will be able, by itself, to provide the capital necessary for investment in afforestation. At the same time, it is unlikely that, in the short term, afforestation would be taken up by the private sector. The amendments will enable a financial vehicle to be developed which will provide the necessary security for private capital to invest in afforestation projects.

Mr Blaikie: Is that so that you can sell off State forests?

Mr HODGE: No, it does not mean that.

The second major objective of these amendments is to remove legal uncertainty surrounding agreements between private land owners and the Department of Conservation and Land Management to grow trees on cleared farmland. Clause 6 of the Bill provides for extensions of the powers of the executive director cited in existing section 34. New section 34A lists the areas where the executive director may enter business undertakings, solely or in association with others, which are in connection with the functions of the department. The major and immediate area of involvement of these new proposed powers will be with the existing section 33(1)(c) of the Act where one of the department's functions is "to promote and encourage the forest production requirements of the State and to undertake any project or operation for that purpose". The scope of any undertaking is necessarily widely drawn in section 34A to include direct involvement, investment, partnerships, profit sharing, management, acquisition/disposal of property and directorships. The approval of the Minister for Conservation and Land Management is required to exercise any powers in this section.

New section 34B will allow the executive director to enter into timber sharefarming agreements which will involve the growing of pine or hardwoods on the owner's land. Such agreements will allow the department to plant, maintain and harvest the trees or to merely maintain and harvest an established crop of trees. The need for the department to provide a return to the owner of the land and for access to be provided to that land to allow the department to manage the trees is stated in proposed subsection (2). The rights of the department under a timber sharefarming agreement constitute a profit a prendre or the right to take something off another person's land, as stated in proposed subsection (4). An agreement may therefore be registered against the land under the Transfer of Land Act 1893. The interests of the department are protected where the land to which an agreement applies is transferred to an heir or new owner - subsection (5) - or where the mortgagee sells the land to a new owner under a power of sale - subsection (6). In these cases the timber sharefarming agreement will continue to apply to the land transferred. Any purchaser of the land involved will need to consider the agreement as part of the land's obligations. The effect of new subsection (7) is that the inclusion of part of a lot of land in a timber sharefarming agreement does not constitute a subdivision of the land under the Town Planning and Development Act 1928.

Section 50 of the Act precludes a CALM officer from being commercially involved in the removal of forest produce, primarily timber. Clause 7 of the Bill seeks to allow the executive director or other departmental officers to be exempt from these restrictions for the purposes carried out in connection with the department's functions - existing section 34 - commercial operations - new section 34A - and timber sharefarming agreements - new section 34B. The written approval of the Minister for Conservation and Land Management will be required. CALM officers will continue to be prevented from trading in timber and cannot, for example, tender for a licence to remove forest produce as an individual.

The final amendment in clause 14 of the Bill involves the definition of conservator of forest's freehold land which is vested in the executive director and can be held or disposed of. Section 131 of the Act defines conservator of forest's land as that acquired under section 22 or 23 of the Forests Act 1918; that is, for the purpose of State forest or to provide access to State forest. Almost all executive director freehold land is pine plantations created by land purchases. It is a moot legal point whether pine plantations fulfil the purpose of State forest. It is therefore necessary to delete the words which refer to the acquisition of land under section 22 or 23 of the Forests Act. Section 131 as amended will simply vest in the executive director, land registered in the name of the conservator of forests. This change will not affect the ability to hold, dispose of or use such land in the manner the Governor may determine.

All these amendments are urgently required and will provide a valuable and workable addition to the powers and scope of the Conservation and Land Management Act. I commend the Bill to the House.

Debate adjourned, on motion by Mr Watt.

MOTION - FORESTRY

State Forests - Revocation of Dedication

Debate resumed from 20 October.

MR WATT (Albany) [3.48 pm]: The motion is one of routine nature that comes to the House from time to time to tidy up little bits and pieces of forest areas which need to be transferred to a different use for one purpose or another. The motion contains six parts with which I will deal separately in a moment. The Opposition will not be opposing any of the transfers. Indeed, generally the transfers are entirely consistent with Liberal Party policy. In three cases, substantial areas of former State forest areas are to be transferred to the responsibility of the National Parks and Nature Conservation Authority. The Opposition has no complaint about that. However, as we progressively transfer more and more areas of land to the responsibility of the authority, so questions are raised regarding the adequate management of the parks and the personnel involved.

In looking at the Budget papers, I note with interest that the number of staff employed last year under the item dealing with National Parks and Wildlife was 104. That number has not

changed this year. However, the areas covered by national parks are growing and it might reasonably be argued that if justice is going to be done to those areas, the employment of additional personnel would be justified. Whether there is an overlap in some area of responsibility from one section of the Department of Conservation and Land Management to another, I do not know. The Minister may be able to advise me of that.

I have always believed that national parks are for people. I know they are set aside for other purposes also, but I like to think of them as being for the enjoyment of people. I understand that they have a scientific and environmental and conservation value. However, they also have a very strong recreational value and we should be providing for that purpose as much as possible. People who want to go to national parks for whatever form of recreation they like, provided it is not in conflict with the area - they should not drive around in four-wheel drive vehicles or on trail bikes - should be accommodated. The types of national parks throughout the State vary considerably; no two parks are alike. However, many national parks covering the forest areas, for which the majority of these amendments are introduced, have a definite recreational value. People like to admire the natural beauty of the forests and of the wildflowers when in season. They also like to canoe, fish for trout, or just walk in the bush. They should be encouraged to do that. Adequate facilities, therefore, in the form of picnic facilities and proper walking trails need to be provided.

We also need to be concerned about the safety of visitors to our national parks. If we are to continue adding areas previously designated as State forest reserves to our national parks, we need to emphasise the safety aspect and be responsible for any accident that may occur. I do not wish to labour these points but I think that the questions of manpower and facilities in national parks need to be addressed.

The first area referred to in the motion is a wedge shaped piece of land of less than a quarter of a hectare on the Del Park Road south east of North Dandalup. It appears to be of no use to the Department of Conservation and Land Management and is being made available to the adjoining land holder. This action not only tidies up the forest boundary and therefore contributes to better management of the forest, but it also makes things practicable for the adjoining landowner.

The second area is an area of 1 630 hectares situated about 12 kilometres south west of Pemberton. It is a particularly attractive area of forest with some very good stands of virgin and regenerated karri. Under the terms of the management priority area it has not been available for timber production. I strongly suspect that if any attempt were made to try to include it in the forest area, the environmental lobby would have a fair bit to say. It could also be argued that there is no need for it to be included in the national park, given the restrictions that would be imposed on it. What would be available, should the need arise, is a management priority area which will allow the Department of Conservation and Land Management to have the area thinned or for it to manage it by other methods. I understand that once it is included in the national park, it becomes something of a sacred cow. The likelihood of that being permitted is very limited. As I said, it is a very beautiful part of the karri forest and I do not think it is inappropriate for it to be included in the Warren National Park.

The third area is similar in circumstances to that which I have described for the second area. It is an area of 890 hectares and is currently controlled under a management priority area. It is a long, thin strip of land with the Gloucester tree right in the middle of it. It is to be added to the national park. These areas are beautiful. They have beautiful streams running through them and are capable of being developed as picnic areas and for walk trails. I think the third area is particularly suited to that. I hope the Minister will tell me whether that area is to be developed further for the use of the public.

The fourth area is an area of about 3 110 hectares about 14 kilometres east of Walpole. It is in the area known as the Valley of the Giants. I believe that the term "Valley of the Giants" has always been a bit of a con in tourist terms because there are plenty of areas in the south of the State that have far nicer stands of karri and tingle than the Valley of the Giants. I am not suggesting that we cease promoting the Valley of the Giants as a tourist attraction. However, I am sure that there are better stands of timber elsewhere.

Mr Thomas: Not many places are bigger. There is only an area of about 50 square kilometres of tingle.

Mr WATT: I know that there is not a big area of tingle. When I was talking to the executive director yesterday, I mentioned an area that I thought would be better. It is easily accessible and offers better views of the coast. However, that is just a personal point of view. I am certainly not unhappy about this area being added to the national park. One of the most attractive things about it is its name, Valley of the Giants, which has a nice ring about it. It is easy to promote the area because of its name.

The fifth area is another small area 35 kilometres south of the Nannup town site. That quarter of a hectare is the subject of a convenient land swap with an adjoining land owner. The swap obviously makes good sense in terms of tidying up the area. I am sure that the Department of Conservation and Land Management and the land owner will both benefit from that sensible boundary adjustment.

The final area, number six, is an area of about 10 hectares, about six kilometres north east of the Denmark town site. The area will be exchanged for about 26 hectares of adjoining vacant Crown land and it will become part of the State forest. The State forest actually comes out of the deal about 16 hectares better off, but the 10 acres that is to be excised from the State forest in this example will go to the Department of Agriculture. It will enable the department to establish a research facility for clover disease screening. Clover pastures, of course, are extremely important to the agriculture of the lower great southern and any facility that will enhance the pasture production of those agricultural areas will be of benefit to the region.

The Opposition supports the six items contained in the revocation motion.

MR STEPHENS (Stirling) [4.03 pm]: The National Party supports the motion. Anyone travelling around the world comes to realise the limited nature of the forest area of Western Australia. During the recess I had the opportunity to travel fairly extensively through British Columbia. I travelled something like 300 miles in one day without getting out of forest country. It brought home to me just how limited are our karri and jarrah forests. We must do what we can to conserve them while at the same time maintaining a balance between a reasonable utilisation of resources and leaving enough areas for recreation and some pristine forest so that future generations can see what the country was like in its native state.

The member for Albany made reference to the need for management and personnel. Members of the National Party accept that point, but in the first instance we should set aside the land. As the economy develops and the income increases, we can set aside additional funds for staffing to manage the areas that have been set aside as national parks. Population pressures also enable additional staff to be allocated to manage the areas effectively.

Yesterday I thought I would take a short cut from Williams through to North Dandalup. I consulted the road map and thought that I was following the road. The distance to be traversed was 100 kilometres. One hundred and sixty eight kilometres later, I arrived at my destination, after taking one or two back turns and obviously a couple of incorrect turns along the way. I take the opportunity to mention to the Minister that it may be time a little effort was put into signposting. I know that there are some signposts, but they are obviously not adequate in some of the areas. It is certainly beautiful and relaxing to drive through forest areas, but it is much better if we know where we are going.

Mr Watt: You weren't going too quickly to see them, were you?

Mr STEPHENS: No. They were gravel roads and the sun was in my eyes; slowness was the order of the day. More adequate signposting would be advantageous. With tracks going here, there and everywhere, tourists wanting to meander through the forest would find it helpful to know where they were at any given time.

In general, we support the motion. We think it is on the right track. However, we must always bear in mind the need to utilise our resources effectively. I commend the Minister on the couple of small areas that were made available to adjoining land owners. That is a very commonsense approach. I will not repeat the comments made by the member for Albany with respect to the Hawke-Treen and Brockman management priority areas. I agree with his comments. I was very pleased to see the exchange of land with Denmark for a research site for clover disease screening. I was the only member of the Parliament to object to doing away with the Denmark research station. I have always maintained that in order to maximise the economic potential of the south coastal region, research is essential. It is perhaps more

essential today than it has ever been in the past because of the deterioration of some of the land. Any move to increase research facilities in the area is welcomed by the National Party and me. I only hope that adequate funding is made available for research generally.

The National Party is quite happy to support the motion.

MR HODGE (Melville - Minister for Conservation and Land Management) [4.08 pm]: I thank the member for Albany and the member for Stirling for their support and comments about the motion before the House. The member for Albany has obviously given a great deal of thought to the matter and researched it well. I listened with interest to his comments. Similarly the member for Stirling has quite a knowledge of some of the areas involved. I acknowledge his point with respect to the fact that signposting could be better in many areas. We are already putting in a lot of effort to improve the situation. We keep spending money to improve matters, but we always find further room for improvement. It is a bottomless pit. There are 57 or 58 national parks and about 1 000 nature reserves in the State. They all need to be signposted and it is a big job. However, I take note of what the member for Stirling said.

Mr Stephens: Perhaps you could develop a forest map showing all the tracks. It might be easier to follow. The road map does not have many of the forest tracks on it.

Mr HODGE: I understand that forest maps are available from offices of the Department of Conservation and Land Management. The member for Albany made the point that extra responsibility was to be allocated to the National Parks and Nature Conservation Authority and that it did not appear to be getting extra staff. However, extra staff is provided for in the Budget. I accept that it is a bit obscure and difficult to find. However, my Budget papers inform me that at least 18 extra staff will be allocated to the department. The Budget sections have not been set out in the same way as last year and the method of setting out figures in the papers is different, so I am cautioned in my papers about trying to compare the figures from last year with the figures for this year. That is confusing for members, but a figure of \$900 000 is built into the Budget to fund about 18 extra staff members. The member for Albany made the point in respect of changes adjacent to the Pemberton townsite. This involves a relatively small area of 890 hectares, which will be included in the park. Before that it was a management priority area. It is delightful country, with high quality karri forests, streams, and cascades suitable for fishing. I agree that it is an ideal tourist area. I would be surprised if there are no tourist paths available there. I have taken note of what was said by the member for Albany and will inquire as to what tourist facilities are available there. I know that there has been general discussion in the town of Pemberton about a new forest interpretation centre being constructed in the town which will encourage tourists to go there and to gain the maximum benefit from a visit to the area. That centre will give information about the forests, and about where to go, what to do and what not to do.

Mr Watt: They have some fairly grand plans.

Mr HODGE: Yes. I am told that one plan would cost about \$1.5 million to implement. I think they were looking to my department to fund that plan, but it is obviously not on as we do not have that sort of money sitting around waiting for someone to spend it. I agree with the concept, and the principle is good, and there is strong support for it from local townspeople. If some of the local business people are prepared to put in some money, we might be able to come to the party in some way.

Mr Watt: There are not a whole lot of wealthy businesses in Pemberton apart from Bunnings that would have that sort of money.

Mr HODGE: I accept that, but some of the larger timber companies down there may be able to make a contribution. That is something that local townspeople are looking at. One of the benefits of this adjustment to the land adjacent to the Pemberton townsite is that it will enable the town boundary to be made more regular in its shape. I understand the local council is very supportive of that and has engaged a town planning expert to look at the future growth of the town and at what residential land is available. As I understand, the edge of the townsite has a jagged boundary which will change. The making of a more regular boundary will have benefits for both the town and for CALM. It will make it easier for CALM to manage the national park. Therefore, that change is well worthwhile.

I thank both members who spoke for their general support. I regularly approve small land

exchanges where they assist local farmers and have a benefit for a State forest or a national park, which this one does. These small changes make it easier for forest managers to have better boundaries to manage and they also help the local farmers. Where this is not done to the detriment of the conservation estate I am always prepared to consider such land exchanges and have considered quite a few of them since I have been Minister. The area mentioned by the member for Stirling is that to be swapped with the Department of Agriculture. I was reluctant initially to swap, but when I looked into the matter I saw the necessity for the Department of Agriculture to have that land. It is important that it has that virgin land for its experiments on clover and other types of vegetation. Once that was explained to me I was happy to support the change. I thank members generally for their support and commend the motion to the House.

Question put and passed, and a message accordingly transmitted to the Council.

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Committee

Resumed from 20 October. The Deputy Chairman of Committees (Dr Alexander) in the Chair; Mr Peter Dowding (Treasurer) in charge of the Bill.

Division 24: Miscellaneous Services, \$196 283 000 -

Progress was reported after the Division had been partly considered.

Item 76: Gold Stealing Detection - Contribution to Chamber of Mines -

Mr LIGHTFOOT: The budgeted amount for this item has increased from \$200 voted in 1987-88, of which \$140 was expended, to \$2 000. I find it quite preposterous, notwithstanding that the Chamber of Mines is often vocal when asking for justified contributions, that such an inadequate amount has been allocated. Can the Minister say what that \$2 000 will be spent on?

Mr Court: Who is the responsible Minister?

Mr Carr: It is Ian Taylor, who is coming.

Mr LIGHTFOOT: I have noticed throughout this debate an appalling lack of ministerial support. Neither the Treasurer, the Deputy Premier nor most of the senior Ministers are here. I find that quite distressing.

The DEPUTY CHAIRMAN (Dr Alexander): Order! The Minister dealing with the matter is now in the Chamber.

Mr LIGHTFOOT: I believe that prevention is better than cure. Substantial amounts of gold have been stolen, predominantly in transit, but another area that causes me concern as a practical miner is that often the gold is taken out quite innocuously by the carrier in crib boxes as specimen gold. That is one aspect that the industry can look at because it must have totalled hundreds of thousands of dollars over the years. On the basis that prevention is better than cure, if that is all the Chamber asks for, I have no argument. I do not see what a \$2 000 contribution from this Government will do to prevent gold stealing. We will never curtail it; it has been part of the goldfields' scene for 98 years.

Mr Blaikie: It is like the dust; it will continue with you.

Mr LIGHTFOOT: As the member for Vasse said, dusting himself off, it is like the dust. It seems to be one area to look at for preventing gold stealing as opposed to detecting it in the refining process. The refined gold is 999.9 per cent fine. Not many refineries in the world refine gold to that sort of fineness. If gold of that fineness were found in a person's possession - refined gold which was 999.9 per cent fine, which the new refinery in Kalgoorlie has the capability of producing - one could assume that it had been illegally gained.

Some rare and specific elements can be used, such as teluride, which is often left behind. Teluride is an element which does not occur much in gold throughout the world, and can be used to detect or indicate where gold has come from. I believe there is a place in Malaya, but Kalgoorlie is possibly the only other place where it occurs in conjunction with gold in Australia, and successful prosecutions have been launched as the result of finding minute

amounts remaining in gold, and these have been detected by chemical laboratories. The Government chemical laboratories here should have further allocations made which are not reflected in this rather meagre \$2 000 grant as a contribution to the Chamber of Mines for the detection of gold stealing.

Although it is not the responsibility of the Minister for Mines, I understand possibly six officers were seconded from the Police Department to act with the gold stealing detection squad. It has been expressed to me on a number of occasions that that number is inadequate. I do not know how many prosecutions, successful or otherwise, have been launched as a result of the activities of the detectives associated with the gold stealing detection squad, but that in no way reflects on the potential to launch prosecutions if that squad were enlarged. The psychological effect of giving that squad more exposure may reflect on anyone who proposed to knock off - what is the expression they use in the gold fields?

Mr Taylor: Borrow.

Mr LIGHTFOOT: Borrow is a good one. They may borrow a specimen to put on the mantelpiece. That sort of thing could be stopped if it were known that the gold stealing detection squad had been enlarged and was much more active than it is with its present meagre numerical strength. That in no way detracts from those officers who work in the squad. I recall an earlier discussion in this House where Jan Mayman's name came up. I recall being inspired in the 1960s as a result of reading a book contributed to by her father, Ted Mayman, *The Mile That Midas Touched*. That included accounts of some infamous gold stealing which resulted in the death of detectives who had been sent to investigate certain blatant aspects of gold stealing.

Having dwelt on that, I do not believe there is any more evidence, or ever has been, of illegal acquisition of gold in the goldfields compared to other parts of the world or this nation prior to 1972, when the then President Nixon shut the so-called "window" on the convertibility of gold in respect of American dollars. It was illegal for an Australian citizen, or any person residing in Australia, to have more than two ounces of gold or he would be charged with hoarding, which was quite a serious offence. This was partly because we were on the gold standard, and partly to prevent the accumulation or acquisition of illegal gold. Many prosecutions were launched in the goldfields as a result of that, and I am glad to say that that criminal aspect has been removed so that today one may hold as much gold as one wishes, provided it has been obtained legally. Some 15 or 16 years ago it was an offence to hoard that amount of gold. It was a step in the right direction to do away with what often made criminals out of honest people.

Mr GREIG: I have had some experience of the operations of the gold squad. Notwithstanding its small numbers, it is a highly proficient group of people, and I want to pose a serious question to the Minister about the commitment of the Government in this area. The member for Murchison-Eyre commented on the amount of money going to the Chamber of Mines. That may be all that was asked for, but it would be enlightening to have some understanding of what it is for. The potential problem faced by the Government is to ensure the continuation of the very good record we have in this State and in this country of having no evidence of gold stealing on any substantial scale. One can only speculate that there is a small amount of borrowing or pilfering, to use the Minister's term.

What in reality occurs within our goldmines as regards security is a very cooperative arrangement between the operators of the mines and the gold squad, and that is done with a very necessary amount of confidentiality. From my observation it seems to be most effective and efficient. However, we have witnessed a burgeoning in what I shall call a relatively small operation. The people are numerically small, but in the last few years, with the changes of technology as a result of the introduction of the carbon and pulp extraction technology, low grade ore bodies and/or tailings can be worked. I point out to the Minister and the Government that these operations tend to be very thinly administered. They are run with a fairly flat management structure, and there is not the sophistication in the management or in the general operating techniques which one finds in the larger mines where security is evident in all its facets - security from the point of measuring the tailings right through to how the gold is stored on the property and shipped to the mint.

To digress for a moment, I recall coming out of Telfer, one of our very successful goldmining operations, on a charter flight on which there was just myself and the pilot. The

pilot is someone latterly deceased - he was Jan Beers. I had been a consultant in industrial relations with the Telfer project for a number of years and therefore was a trusted person, as it were, and was conscious of the various means by which gold was transported. On this occasion, quite randomly, because the charter plane came in to take me out, a decision was made virtually as we were taxiing off that gold would be shipped out on that flight. Those are the kinds of shipping arrangements made - they are made at the last minute and no-one really knows they will happen, which prevents the possibility of hijacking on a large scale. We flew to Meekatharra to refuel and were met there by the local constabulary, who had been alerted and who stood armed guard on the tarmac while we refuelled and took off again. The interesting part about it was that Jan Beers wanted to make sure we did not drink all of the drinkable fluid on the plane. He commented that in the event that we came down between Meekatharra and Perth we would have to stay with the plane and must make sure we had something to drink. He was somewhat concerned we would run out of refreshments.

I return to the potential for gold stealing and the necessity for us to be alert to it. I am sure the professional members of the gold squad itself would be alert to it, but the proliferation of small operations - and those I have witnessed myself are a bit of a catch as catch can operation - are not sophisticated, and the potential for gold stealing to occur on a regular basis does exist. It seems to me also from my experiences in both large and small goldmines that the secret to the security process is the removal of temptation. I would hope that one of the objectives of the funds going to the Chamber of Mines - and the Minister might give some consideration to saying to the Chamber of Mines that it needs to lift its game in this respect - is an educative process. Those people who are opening up small mines should be educated in the techniques of security in order to remove temptation. Gold is one of those mystical substances that never cease to fascinate people, no matter how frequently they see that golden metal in quantity; and in the smaller operations there is a greater exposure of it. For instance, in many years of going to the Telfer project I know that the only people who ever go into the gold room are those who have to, and no tourists or visitors are allowed. In other words, simply removing the gold from sight is an essential part of the security operations. In smaller operations that practice is not so rigidly adhered to and frequently itinerant visitors come in. In the excitement that occurs with those small operations and their successes, the temptation is open to people.

I would be interested to know what the money allocated to the Chamber of Mines is for, and would also like the Minister's comments about steps that might be taken to remove the potential risk - I believe it is not being abused at present - for the smaller operations that have sprung up.

Mr BLAICKIE: The gold stealing detection branch of the Police Force has been around since time immemorial, as has been pointed out. This item allocates \$2 000 for gold stealing detection, but I ask whether any consideration has been given to funding the prevention of diamond stealing. That is a new industry, and one where temptation and the opportunity for fairly significant gain exists. I believe diamonds fall into a category similar to gold. I would be surprised if an approach for an allocation for this purpose had not been made, as the diamond industry has been in operation for four or five years and is a very lucrative one. The rewards from illicit operations within that industry would probably be far more lucrative than in the gold industry now.

Mr TAYLOR: So that members are aware of the nature of this item I advise that the allocation of \$2 000 is part of a contribution the Government makes in accordance with an arrangement with the Chamber of Mines that we will pay up to \$25 000 a year towards the cost of the gold stealing detection staff. The chamber seems reasonably happy with that arrangement. That payment is made from the proceeds received when stolen gold is recovered and sold. Therefore, the figure of \$2 000 allocated for this financial year could quite easily end up being \$25 000 - it is really a bit of a guesstimate. I know that recently the gold stealing detection staff in Kalgoorlie arrested some people whom they caught stealing quite significant amounts of gold and I would be surprised if we were not caught with a higher figure this year.

The member for Murchison-Eyre asked about the number of people involved in gold stealing detection. The adequacy of that staff is tempered by the willingness or the ability of the Chamber of Mines to contribute to staff numbers. The chamber seems reasonably happy with the number it has at the moment; however, no doubt it has the ability to call in the CIB

to investigate major cases. The gold stealing detection staff in Western Australia is held in very high regard and in the early months of this year the Northern Territory police sent some officers to Western Australia with the specific object of their being trained in this work by our own gold stealing detection staff.

The member for Darling Range mentioned the problem associated with small goldmines throughout Western Australia and asked whether their security arrangements were adequate. Those arrangements are really up to the mines involved. They should be well aware that they are dealing with a commodity that is now very valuable, and should make their own security arrangements accordingly. I understand they do have discussions with the gold stealing detection staff and also with the Chamber of Mines as to the security arrangements they should adopt on the mine site and also when transporting the gold from the mine site to the refinery. Of course, once it reaches the refinery the gold usually becomes the responsibility of the Western Australian Mint or whichever refinery receives the gold. The member also mentioned the precautions employed at Telfer. Telfer deals with enormous amounts of gold and must make very special and extraordinary security arrangements when transporting the gold to Perth. He mentioned the sort of security arrangements which he has seen as a person involved in industrial relations matters. He did not know until the last minute whether the gold would be on that aircraft. That has been going on up there for a long time, and those arrangements are entered into with the police so that the police know exactly what is going on.

The member for Vasse questioned the situation regarding diamonds. I recall debating the relevant Bill when we were in Opposition. One of the controversial aspects of that legislation is that it provides for the reverse of the onus of proof - in terms of one's guilt or otherwise - when a person has diamonds in his possession. If a person were found with uncut diamonds in his possession and could not prove ownership, I understand that person is presumed to be guilty of the theft of those diamonds. I do not know whether the member for Vasse has visited the Argyle site, but he would recognise the extraordinary security arrangements in place there. The company has a very good record indeed. I am not aware of any approaches by the company to the Government to fund any additional security staff. There is a police station at the Argyle site; officers swap over regularly and they appear to fit the bill.

Mr Blaikie: Would the Minister know if anyone has been found with diamonds and then prosecuted?

Mr TAYLOR: I recall that earlier this year, or late last year, a couple of people working at Argyle were found with uncut diamonds in their possession. They were raw stones, of an industrial type, worth a very small amount of money; the stones were taken as souvenirs. The people were dismissed from the service of the company and, I think, charged. As far as I am aware, they are the only people who have tried to get away with stealing diamonds. The stones were not gem quality; they were industrial quality and were taken as a memento. I am not aware of any approaches by the company for the Government to appoint additional security staff.

Item 77: Housing Loan Guarantee Act - Losses on Indemnities -

Mr LEWIS: I am puzzled by the increase in the provision for this item. The amount of \$100 000 is not large in terms of the total Estimates but, bearing in mind that \$48 000 was expended last year, the figure represents a 100 per cent increase. In 1986-87 an amount of \$26 000 was expended on the basis of this guarantee. Why does the Government believe a need exists to double the estimate this year? Is it because the cost of housing has gone off the board this year - more than a 40 per cent increase - or does the Government believe that people will not be able to keep up their loan repayments, and will therefore default? If that is the case, why does the Government see fit to double the amount? On the other hand, I suppose one could say that with the cost of established housing exploding to 40 per cent one would think that people in established homes would face a diminution of the amount of money set aside.

Mr Taylor: This relates to the change in eligibility conditions; there are now no restrictions on eligibility.

Mr LEWIS: There are qualifications on eligibility.

Mr Taylor: That has been changed.

Mr LEWIS: An amendment was passed last year, but I understand it applied principally to people under the terminating building societies provisions, with certain requirements and limitations as to dealings. If people are in their own homes - and they may have a package of \$60 000, which was a reasonable figure 12 months ago - with the cost of housing increasing, those homes today may be worth \$80 000. It seems to me, in that case, that the downside has to be diminished because the value of the home has increased. Either a formula has been put in place which is reflected in the increase in the Estimates by 200 per cent - or fourfold over two Budgets - or perhaps because of the increased costs of housing, and the increased borrowings which people need to get their foot in the door, the risk of default is greater. The Minister should explain the situation. The figure has increased fourfold over two Budgets. Is the explanation that the explosion in the cost of housing is prohibiting many people from getting into their own homes, or has the Government miscued and should not have increased the figure?

Mr TAYLOR: Last year the estimate was \$80 000, of which \$48 000 was spent. This year the estimate is \$100 000 - which complies with the Housing Loan Guarantee Act provisions for building societies to be indemnified against losses sustained on property sales in respect of members' loans, when repayments have fallen behind for a period of three months or more. A change took place to the extent that on those loans indemnified prior to July 1986, the loss was limited to a statutory formula. Since July 1986, we have had no formula and the indemnified losses have been unlimited on all loans. We expected that situation would have an impact on this Budget. Because of those changes which removed restrictions on eligibility in this category, to reflect the spirit of the scheme, we decided that all bona fide claims made prior to the amendment to the Act would be met as act of grace payments. We may have a situation where part of this amount could be act of grace payments reflecting the change of the nature of the Act - thus the increase from \$48 000 expended last year to an estimate of \$100 000 this year.

Item 78: Incidentals -

Mr BLAIKIE: What are the incidentals?

Mr TAYLOR: We do not know until they occur. The item covers incidental expenses not otherwise provided for in the miscellaneous vote. More often than not they relate to refunds of amounts from the Consolidated Revenue Fund.

Mr Blaikie: Do you have a list of amounts paid out last year?

Mr TAYLOR: I will make arrangements to give the member a list for last year.

Mr BLAIKIE: Last year the Lamb Marketing Board asked all producers to indicate the numbers of lambs they sold because a disbursement payment would be made by the board following the collection of all payments. It amounted to a few cents per head. A farmer who sent in his return found that the time allowed for receipt of the return had expired by about three weeks and all moneys had been distributed to other farmers. Apparently the amount involved for this farmer was a couple of thousand dollars. A system should exist under which an ex gratia payment could be made. The circumstances that prevented that farmer from lodging his return in time were out of his control.

Mr Taylor: Under extraordinary circumstances, arrangements can be made for act of grace type payments. I am surprised that the board did not do that.

Mr BLAIKIE: I followed the matter up with the chairman of the board who assured me that the distribution had been made for that year and that there was nothing he could do about it. Maybe a payment could be made under this item.

Mr Taylor: I do not know whether it could come under this item, and I do not know why payment was not considered. The Lamb Marketing Board is a statutory authority and therefore could not make payments under this item.

Mr BLAIKIE: I am not criticising the Lamb Marketing Board which quite rightly made its final payments when it should have. I will raise this matter with the Minister at a later time.

Item 80: Information Technology - Equipment Purchases and Systems Development -

Mr HASSELL: This is a new item providing for the expenditure of \$15 million. What is.

this amount for? Is it to purchase part of the network of data equipment being developed by the Health Department in relation to the on-line records of the various State hospitals in Perth and other centres?

A fortnight ago I introduced into this House on behalf of the Opposition the Data Protection Bill relating to the use of data systems. It was pointed out at the time that it could not be debated or even discussed unless the Government provided a Message. Is the \$15 million provided for under this item being applied to equipment purchases in relation to information technology? I have no doubt that some of the material to be purchased with the \$15 million would be subject to the provisions of the Data Protection Bill.

There is widespread concern in the community and within Government ranks about the growing use of data collection and collation material by the Government without any legislation being specifically directed to the conduct of people who collect, collate, disseminate and use that data. We are not opposed to the Government's using the most modern equipment. That has been an ongoing process for some time. However, it is clear that two kinds of legislation need to be introduced. The first is data protection legislation of the kind I have introduced and which I believe the Government should be prepared to debate, whether it agrees with it or not. Secondly, there is an urgent need for legislation of the kind to which we have committed ourselves in policy to create appropriate offences for computer hacking, the stealing of computer information, and the poisoning of computers - computer viruses. As I have said, we have already produced data protection legislation to protect people's rights, but the allocation of this \$15 million is a further step in the Government's program. We believe these matters should be considered at the same time that this Parliament is committing \$15 million to purchase equipment which will raise, in sharper focus, all of those issues.

Mr TAYLOR: For some time, a Budget subcommittee of Cabinet Ministers has taken an active interest in what should or should not be in the Budget. In this year's Budget we found some very expensive bids for new information technology. We decided that rather than try to examine every individual bid for new technology, we would take a different tack. We set aside \$15 million and gave a group comprising the Public Service Commission, the Treasury, the Department of the Premier, the Department of the Cabinet and the Department of Computing and Information Technology the time to go through the submissions received from various departments, examine them and put them in a priority order before reporting back to the Budget subcommittee of Cabinet. We are now in the process of that reporting stage and we will make decisions as to which Government departments will benefit from the \$15 million.

We are determined that in the reporting and examination process of bids, the costs and benefits associated with each bid are clearly set out. Too often, not only in Government departments but in the private area as well, people want the new technology but they are not prepared to do the work to prove that it is cost effective. We are determined that any new technology introduced to Government departments will be cost effective. We have set aside \$15 million so that there will be time to examine each bid.

I am sure that the former Minister for Health - the current Minister for Environment - will be most interested in the interest of the member for Cottesloe in data protection and the privacy of information relating to individuals. I am pleased that the member for Cottesloe now has this interest. I hope it will lead to his not using information that should not be used in the Chamber; I refer to private medical information with respect to an individual.

Mr Hassell: I will be prepared to show up Ministers who cheat.

Mr TAYLOR: That was not a case of cheating. I am sure that the member for Cottesloe to this day is sad that he took that step. Nevertheless, some things are done in anger. I would like to put his actions into that category.

Mr Hassell: I would do it tomorrow if the same situation arose.

Mr TAYLOR: I am very disappointed to hear that. How could a member who is the Shadow Minister for the protection of individual rights say in the Chamber that if he got access to a member's private medical information through a hospital he would be prepared to use it again?

Mr Hassell: I was not interested in his private medical information. I was interested in the fact that he was jumping the queue on Medicare when he was the Minister for Health.

Mr TAYLOR: The member for Cottesloe knows as well as I do that he did not do the right thing. How any Shadow Minister for the protection of individual rights could make that claim is beyond me.

With respect to data protection, most departments have certain guidelines. For example, the Health Department has an ethics committee concerned with the release of data and a large number of rules about who can and cannot have access to the data. The same applies to the Police Department. Perhaps we can consider the legislation of the member for Cottesloe, but I think he has compromised his position in relation to that legislation by making the sort of statement he made in the Chamber with respect to the release of private information about an individual.

Mr BRADSHAW: Mr Deputy Chairman, I wish to speak on item 84.

The DEPUTY CHAIRMAN (Dr Alexander): Some time ago I asked for an indication of items on which members wished to speak. At that time, I was informed only of items 76 and 78. Now the member has raised that item, I will not preclude debate on it, but I draw attention to the Standing Orders which ask that members notify the Chairman - or Deputy Chairman, in this case - before the items are discussed so that we can draw up a list of the items. Otherwise members can come in and out of the Chamber and there is no order to the debate at all. I request that in future those notifications be given at the beginning of the debate on items.

Mr HASSELL: Mr Deputy Chairman, I mentioned item 80 some time ago, which you acknowledged. If you want to be advised, I am also interested in items 88, 89 and 91.

The DEPUTY CHAIRMAN: Thank you.

Points of Order

Mr CLARKO: Mr Deputy Chairman, I know that you do an outstanding job and that your normal style would be to give people the opportunity to come in and speak. The purpose of the Standing Orders is to assist the Chamber, without necessarily imposing a tight grip on members.

The DEPUTY CHAIRMAN: That is the interpretation of the member; mine is different.

Mr BLAIE: Do I take it from you, Mr Deputy Chairman, that you are now establishing a precedent whereby members who wish to speak to these items will be obliged to inform you of the items on which they wish to speak at the commencement of debate on the items.

The DEPUTY CHAIRMAN: Quite so, although not in written form.

Mr BLAIE: With respect, Mr Deputy Chairman, you will create a situation whereby members will list every item for fear that they miss some item they may have overlooked. Having sat in the Chair from which you with great decorum presently preside, I suggest that you may care to rethink the direction you have given. Otherwise, with due respect, I suggest to you that instead of the Chamber making progress, it will be bogged down considerably by the direction you have just given. I look forward to your ruling.

The DEPUTY CHAIRMAN: I have not asked for a written list of items to be discussed. The intention was simply to have some predictability to the debate, not necessarily to adhere precisely to section (4)(f) of Standing Order No 304. However, a few moments ago I asked for an indication of items on which members wished to speak. I was informed of items 76, 78 and 80.

Mr Bradshaw: I said 84 at the time as well.

The DEPUTY CHAIRMAN: Perhaps it needs a clearer indication from the members when that question is asked.

Mr LIGHTFOOT: Mr Deputy Chairman, it is still rather ambiguous to me, a simple country fellow. Do I take it that that was a request and not a direction?

The DEPUTY CHAIRMAN: It was a request for a clear notification of items in advance.

Committee Resumed

Item 84: Racecourse Development Trust - State Contribution -

Mr BRADSHAW: On several occasions since I became a member of Parliament, I have said that racing and trotting clubs of Western Australia are underestimated in terms of the number

of people they employ and the contribution they make to the economy of Western Australia. For five or six years I have pushed for the Racecourse Development Trust allocation to be increased. I believe that 50 per cent of the unclaimed dividends from the Totalisator Agency Board go to it. It is interesting that it has never seemed to go above that figure of \$200 000.

Mr Burkett: I believe it is now to be 100 per cent.

Mr BRADSHAW: I will get on to that in a minute. One would think that with the increased turnover of the TAB the unclaimed dividends would have risen accordingly. It is good to see that more money will be put into the Racecourse Development Trust because the industry is underestimated. Racing and trotting clubs have always battled for funds. The clubs are always under pressure to increase the stake money they offer so as to get a bigger return from the TAB distribution. Therefore, they generally have very little money to put into development of their courses. Such development is important to attract people to the track. I am glad to see that the Government is to increase the amount going to that trust at last. I am not sure that the increase is as much as I would like it to be, but it is a step in the right direction. I assume that this will be done on a continuing basis.

Mr TAYLOR: The member for Murray-Wellington is correct in what he says: Refunds made available to both the racing and trotting industries, and other funds which will be made available to them, will help them quite significantly to deal with their need for additional facilities on course.

Mr LIGHTFOOT: Are funds under this item targeting specific racecourses and, if not, can any racecourse apply for them? I am thinking particularly of country and outback racecourses.

Mr Taylor: It is actually for country racing. They make an application to the trust according to what they want to do. For example, I know that at some time in the past the Golden Mile Trotting Club received an allocation to help build a grandstand. There is a whole range of things that can be applied for. One of the problems was that there was never enough money in the trust fund and that is why we have put aside an additional \$1 million.

Mr LIGHTFOOT: Is it a case of first come first served?

Mr Taylor: Each submission is analysed and they try to give the money to those who are more deserving of it. It is not first up best dressed. That is not a fair way of doing things.

Item 86: Rural Housing (Assistance) Act - Loss on Indemnity -

Mr BLAIKIE: This item shows a loss on indemnity of \$65 000. Expenditure last year was \$36 000. I assume that is associated with the Rural Housing Authority.

Mr Taylor: Yes.

Mr BLAIKIE: The Rural Housing Authority is one of the real success stories of parliamentary legislation in this State. When first established 10 or 12 years ago it set new guidelines for the whole of Australia as Western Australia was the first State to have a Rural Housing Authority. I give credit to the Court Government which commenced that scheme and to the present Government for continuing the authority. It has certainly achieved housing for rural areas and has also given people in rural areas a change of social attitude which has been quite commendable. Hundreds of houses have been built over a number of years. One of the matters raised at the time the authority was formed was the need for indemnity and the fact that it was believed in some isolated quarters that the Rural Housing Authority would be asked to pick up losses and failures in payments from time to time. An amount of \$36 000 was apparently paid out last year, and an amount of \$65 000 is budgeted for this year. Several hundred houses have been built, so that is a small cost for the State to pay. The State has received incredible social benefits from the Rural Housing Authority which I mentioned earlier. For the record, people in rural areas were living in substandard housing built in the 1920s, and in weatherboard structures. Young people were embarrassed to take their friends home. In the new land settlement areas such as Jerramungup, Porongurup and Esperance people were living in converted sheds and in farm caravans because they were unable to borrow money for decent housing. Housing and banking authorities of the day would allow people to borrow only over a five year or seven year term, which was quite ridiculous because those people were trying to develop farms, and a house is a very important part of a farm. They wanted housing finance in the same way as other

people wanted it, over a period of 20 years or 25 years. That is precisely what the Rural Housing Authority supplied and I commend the Government for its action in that area. The authority has certainly provided an important benefit by way of social infrastructure for these communities in my electorate and I would say that in excess of 100 houses have been built as a direct result of the authority.

Mr Taylor: In your electorate?

Mr BLAIKIE: Yes. It was first mooted for Jerramungup, Porongurup and what was termed the new land settlement areas. During the 1960s the State opened up some millions of acres of land for agricultural settlement. That went on for nine or 10 years during which there was a dearth of reasonable housing in those areas. Initially it was considered that there would not be a need for housing in the developed areas. I am in one of the areas that has reaped the benefit of this initiative. People have constructed some very innovative housing and, as I said earlier, a social benefit has flowed from this. There was also an important commercial benefit to the areas involved because suddenly there was a new rural housing industry which provided jobs for people. I commend the Rural Housing Authority which has, in my view, been well administered and one of the real success stories of where Government has involved itself in getting a housing scheme off the ground in rural areas. Will the Minister indicate what these losses of indemnity were for, whether for houses, what number was involved and what is the estimate for 1988-89?

My final comment is that there was a period some four or five years ago when much pressure was put on the Rural Housing Authority because of the change in fortunes of the agricultural industry. The Minister would know of the drought conditions that prevailed and how people were in extremely difficult circumstances. Thank goodness the Government persisted with this scheme because agricultural industries are now seeing more buoyant conditions and a return to record or near record prices for their produce which will cause yet another upsurge in demand on the Rural Housing Authority, because that demand is related closely to the fortunes of people in agricultural areas; as those fortunes fluctuate so the demand for housing fluctuates. I look forward to the Minister's response and the reasons for the indemnity being given.

Mr TAYLOR: I agree with the member for Vasse. The Rural Housing Authority has three important functions to perform: First, it has met a need for housing in rural areas, when banks were not prepared to face up to getting people out of their farm sheds and the like, and has done that over many years. Secondly, it has created jobs in the housing industry in rural areas about which the member spoke. Thirdly, and what is fascinating from the notes in front of me is that, despite what the banks were afraid of, the people who were lent that money have been able to meet the demands placed on them. There is a good reason for that.

Mr Blaikie: It is very important. The achievements of the Rural Housing Authority should be put on the record for the public to see. It would put paid to some of the nervousness in the banking field.

Mr TAYLOR: That is quite right. I will show members how the Government has put paid to it. This Act provides for the approved lending institutions to be indemnified against losses sustained on property sales in respect of loans made to farmers for the development of houses on their properties. Since 1977, when the Act came into operation, three claims have been made. The last claim was in 1987-88 for the amount of \$36 092 shown in the Budget, and my note is that an additional claim is expected in 1988-89; that is why that extra figure is included in the Budget. That is not a bad record: Three which may have gone wrong in more than a decade. It has provided for a very real need, and those who have received the loans have shown that they are more than capable of meeting the commitments imposed on them.

Mr Blaikie: Would you care to make a general Press comment on this? It is important, not simply for the people who have the houses, but also to show the business community that the indemnity provided has been well and truly covered.

Mr TAYLOR: I think it is good news. It is sometimes hard to get the media to run good news, but we will try.

Item 88: Superannuation - Universities and Colleges of Advanced Education -

Mr HASSELL: This is a new item where \$3 million is allocated. What is it for?

Mr GREIG: Perhaps I should put the question to the Minister in a more probing way. This item appears to result from the settlement of three per cent superannuation deals. Is that the case? If that is so, surely it should have been dealt with in each Division as a part of the salaries package. I indicate the unnumbered item about six lines above, Natural Disaster Payments, and wonder if this is another natural disaster.

Mr TAYLOR: It is not quite that. This item makes provision for estimated payments under the Commonwealth General Revenue Act 1985 representing this State's share of higher education superannuation costs in this financial year. In last year's Budget the Commonwealth Government announced that as from 1 January 1988 those States which operate superannuation schemes in universities and colleges of advanced education on an emerging cost basis, like our State's superannuation scheme, would be required to make an annual contribution to the superannuation expenditure incurred by these institutions. This is one of those Commonwealth Budget decisions which gets it off the Commonwealth's plate and on to ours, and imposes additional cost on the State Government. Nevertheless, the Commonwealth will bear the full cost of the accrued liability of the schemes between 1974 and 1988. The Commonwealth will also fund institutions for their liability to the State's schemes, and the State's contribution will be in the nature of a recovery of expenditure. The States Grants (General Revenue) Act of 1985 has been amended to implement the Commonwealth decision by providing for offsets to financial assistance grants to higher education superannuation payments not received by the State by 31 May each year. An amount of \$35 000 was withheld by the Commonwealth from the State's assistance grant due in 1987-88.

Mr Greig: Are you saying that is part of the Commonwealth Budget cut?

Mr TAYLOR: I do not know if it is part of the Commonwealth Budget cut. The Commonwealth announced in its 1987-88 Budget that as from 1 January 1988 those States which operated superannuation schemes - and obviously they operate in our universities and colleges of advanced education - would be required to make an annual contribution to the superannuation expenditure. We were not able to avoid it because the Commonwealth made it quite clear that if we were not prepared to make that expenditure the Commonwealth would take it off our revenue grants anyway; so we had to pay it out.

Item 89: Supreme Court Library -

Mr HASSELL: I called this item because I really want to talk about the next item, Swan Building Society, which does not have a number. Can I raise that now?

The DEPUTY CHAIRMAN (Dr Alexander): Standing Orders are quite clear: There is no provision for speaking to items for which there is no number.

Mr HASSELL: The lack of an allocation means the matter cannot be raised?

The DEPUTY CHAIRMAN: Correct.

Item 91: The WA Teachers' Financial Society Ltd (under administration) -

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

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Mr HASSELL: - about what is currently going on.

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Mr HASSELL: The Government, through its Labor Party, is currently spending a lot of money advertising a certain individual in respect of the rescue of the Teachers Credit Society. We have -

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Several members interjected.

The DEPUTY CHAIRMAN: Order! The member for Scarborough has had a fair go.

Mr HASSELL: The member for Scarborough has spoken more words than I have since I have been on my feet. This underlines again why the Treasurer is a statesman and the member is on the back bench.

Several members interjected.

The DEPUTY CHAIRMAN: Order! Perhaps the member for Cottesloe could address his remarks to the item rather than to the other side of the Chamber.

Mr HASSELL: I would be delighted to have the opportunity to do so. In the moment that I now have, may I point out that the taxpayers of this State have already borne \$18.8 million. Another \$25 million has been allocated. It is important to remind the House that the Government originally told the public of this State, after an investigation by the R & I Bank lasting five months, that the rescue of the Teachers Credit Society would cost the taxpayers \$43 million. More recently it was disclosed by the Government in a sneaky way - on the day of the Federal Budget if I recall correctly - that the rescue of the Teachers Credit Society would cost the Western Australian taxpayers \$119 million. Only \$25 million is allocated in this item. However -

Mr Peter Dowding: Provision has been made already. You know the position.

Mr HASSELL: I have already pointed out that we have had \$18 million, and we now have \$25 million. I assume that the other allocations will come next year as required, but I do not want to run over my time before asking the essential question: Does the Government still believe that the final figure will be \$119 million? The information in the hands of the Opposition suggests that the cost of rescuing the Teachers Credit Society has increased substantially yet again, and is now more than \$119 million, and it is time the Government came clean and told the Chamber the true figure. I do not believe for one minute that the Government does not now know that the figure is well over \$119 million. I think the Government should tell the House the truth. We are in the Budget debate and it is time for the truth to be told in full.

[Leave granted for speech to be continued.]

Debate thus adjourned.

Progress

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

[Continued on p 4147.]

[Questions taken.]

Sitting suspended from 6.00 to 7.15 pm

CHILD SUPPORT (ADOPTION) BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr Pearce (Leader of the House), read a first time.

Second Reading

Leave granted to proceed forthwith to the second reading.

MR PEARCE (Armada - Leader of the House) [7.15 pm]: I move -

That the Bill be now read a second time.

[Leave granted for the following text to be incorporated.]

Mr PEARCE: The Child Support (Adoption) Bill extends the Commonwealth Child Support Scheme to Western Australian children who are otherwise beyond the reach of Commonwealth legislative powers. The Bill ensures that all children in this State can benefit from the child support scheme. The Child Support Act 1988 of the Commonwealth came into force on 1 June 1988. The legislation introduces a new national system for the collection of maintenance in Australia and is designed to ensure regular, reliable payments

by non-custodial parents. The purpose of the scheme is to ensure that wherever financially possible both parents contribute to the cost of raising their children.

The central part of the child support scheme is the child support agency established within the Australian Taxation Office. Court ordered child maintenance will in most cases be automatically deducted from the salary or wages of non-custodial parents. The need for the State Bill arises from the limited nature of Commonwealth law-making powers concerning children. Since 1975, when the Commonwealth enacted its Family Law Act, those limitations have caused serious jurisdictional problems in States other than Western Australia. We were able to avoid most of those problems by establishing our own Family Court of Western Australia.

To overcome these difficulties New South Wales, Victoria, South Australia and Tasmania in 1986 referred power to the Commonwealth to legislate for the maintenance of children. On the basis of that reference, the Child Support Act extends to all children in those four States. Section 51(37) of the Australian Constitution allows this State to now adopt that law so as to extend its cover to all children in Western Australia. The Bill adopts the Child Support Act in the form that that Act exists on the day the adoption is effected. Further adoption will be required of any subsequent amendments to the Child Support Act. Provision is made in clause 2(2) of the Bill to bring the adoption into operation by proclamation.

The Bill also makes provision in clause 6 for the Governor to make arrangements with the Governor General for the transfer to the child support register of collection agency maintenance liabilities in Western Australia. These liabilities are existing maintenance orders and agreements made by the Family Court of Western Australia and currently being collected, dispersed and enforced by the Western Australian collector of maintenance or, outside the metropolitan area, by clerks of courts. The arrangements will allow existing liabilities to be transferred to the child support scheme for collection. Provision is made in clause 6 of the Bill to terminate State adoption by proclamation published in the *Government Gazette*. Similar provision has been made by New South Wales, Victoria, South Australia and Tasmania in the Acts of those States which refer power to the Commonwealth.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Bradshaw.

FAMILY COURT AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr Pearce (Leader of the House), read a first time.

Second Reading

Leave granted to proceed forthwith to the second reading.

MR PEARCE (Armadale - Leader of the House) [7.17 pm]: I move -

That the Bill be now read a second time.

[Leave granted for the following text to be incorporated.]

Mr PEARCE: The Family Court Amendment Bill amends provisions of the Family Court Act concerning child maintenance to bring them into line with recent changes to the Commonwealth Family Law Act 1975. Those changes were made as a result of the new Commonwealth Child Support Scheme.

This Bill also amends provisions of the Family Court Act concerning paternity testing to bring them into line with recent changes in the Commonwealth Family Law Act concerning parentage testing. This Bill continues the commitment of the Government to ensure that all children in Western Australia, whether nuptial or ex-nuptial, will be treated equally under the laws in force in this State. The Bill overcomes the constitutional limitations on the Commonwealth's law making powers concerning children by enacting complementary State legislation.

Clause 8 of the Bill prescribes the approach to be adopted by the Family Court of Western Australia in child maintenance proceedings under the Family Court Act and sets out the

matters to be taken into account in considering the financial support necessary for the maintenance of the child. These include:

- The proper needs of the child;
- the income of the child;
- the age of the child;
- the manner in which the parents expect the child to be educated;
- special needs of the child;
- earning capacity of the child.

In keeping with the child support scheme, any entitlement of the child or any person to an income tested pension, allowance or benefit is to be disregarded. The matters to be taken into account by the Family Court in determining the financial contribution that should be made by a parent are set out in this Bill. These provisions are in similar form to the new maintenance provisions enacted by the Commonwealth in division 6 "maintenance of children" of the Family Law Amendment Act 1987. Provision is made in clause 10 of the Bill that any entitlement to an income tested pension, allowance or benefit will be disregarded when a court considers the liability of a father to pay preliminary expenses.

Step-Parents.

In clause 7, provision is made for step-parents to assist in the maintenance of stepchildren in certain circumstances. Prior to 1975 a similar liability was imposed on step-parents in Western Australia under provisions of the Married Persons and Children (Summary Relief) Act 1965. When, in 1975, the Commonwealth enacted its Family Law Act and made provision for maintenance of children by step-parents, Western Australia repealed those provisions. Only in 1986 in a series of decisions in the High Court of Australia has it become clear that the provisions of the Family Law Act in regard to step-parents are invalid and beyond the legislative power of the Commonwealth insofar as they purport to impose liability on step-parents to maintain stepchildren.

In the Family Law Amendment Act 1987 the Commonwealth has enacted new provisions governing step-parents. Those provisions rely on the reference of power by New South Wales, Victoria, South Australia and Tasmania concerning the maintenance of children. The new section 58D of the Family Court Act is modelled on a provision in the Family Law Amendment Act 1987 and will again ensure that stepchildren in Western Australia are treated the same as stepchildren in all other States of Australia and that the duty of maintenance imposed on step-parents is the same throughout Australia.

Parentage Testing.

Clauses 11 and 12 amend the Family Court Act provisions concerning paternity testing and bring them into line with the Commonwealth provisions in sections 66V and 66W of the Family Law Amendment Act 1987 concerning parentage testing. The amendments are to sections 82D and 82E of our Family Court Act which were only inserted into the Family Court Act in 1987. At that time they were intended to bring our Act into line with provisions in the Family Law Act. The Commonwealth has now substantially amended its provisions and it is appropriate that Western Australia amend its complementary legislation so that the same paternity testing procedures apply in Western Australia as elsewhere in Australia.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Mensaros.

APPROPRIATION (CONSOLIDATED REVENUE FUND) BILL

Committee

Resumed from an earlier stage of the sitting. The Deputy Chairman of Committees (Mr Thomas) in the Chair; Mr Peter Dowding (Treasurer) in charge of the Bill.

Division 24: Miscellaneous Services, \$196 283 000 -

Item 91: The WA Teachers' Financial Society Ltd (under administration) -

Progress was reported after the item had been partly considered.

Mr CASH: Before the Committee was suspended for dinner, the member for Cottesloe raised a number of interesting matters in respect of the plight of the Teachers Credit Society. Originally the Government admitted that the Teachers Credit Society would possibly need \$43 million to make good its losses. Later, that amount was amended to \$119 million. The member for Cottesloe was making the point that many people in the community believe that the total losses of the Teachers Credit Society will exceed the \$119 million which the Government has acknowledged, thus far, to be the figure. We could find that those losses will increase to a figure around the \$200 million mark. I wonder when the Government will come clean and explain to the taxpayers of Western Australia the extent of the damage with respect to the losses of the Teachers Credit Society.

Most members would be aware that the Police Department was called in. It has investigated the functions and operations of the Teachers Credit Society. I understand that the police investigation is continuing. Again, I wonder when charges will be laid in respect of the actions of various people who worked with the Teachers Credit Society.

Mr Taylor: You might look at some of the people who have borrowed from it rather than worked for it.

Mr CASH: The Minister for Police and Emergency Services suggests that the Parliament should perhaps be looking at some of the borrowers.

Mr Taylor: They were your mates.

Mr CASH: He apparently suggests that it may be that some of those borrowers will be charged. If they have committed criminal acts against the society, they should be charged. I hope that the police are working towards sorting out that matter. The Minister for Police and Emergency Services claims that they are my mates or those of other members on this side of the Chamber.

Mr Taylor: Cast them aside now.

Mr CASH: I do not have to cast them aside; I do not even know them. Like the Leader of the House, the Minister for Police and Emergency Services often makes outrageous statements that have no truth in them. I make it very clear, despite the attempts of the Minister to prevent me making my point, that to the best of my knowledge I know only one borrower, a person whom I met when I acted on behalf of the Opposition at a function one night. For the Minister to call them my mates is stretching the bow as far as it can be stretched. I inform the Minister that in due course we will find out just whose mates those borrowers are. A few people, both members of Parliament and others, will be required to answer some questions. The Minister should not throw too many rocks over here because he may find that some of his mates on that side of the House are living in glass houses. I will be interested to see just how far the matter is pushed, because there is a lot of talk up and down St George's Terrace that the borrowers were mates of certain senior people in the Labor Party. That was clearly shown when it was agreed at one stage by the current Government that the R & I Bank should be required to fund the rescue of the Teachers Credit Society. In recognition of the Government's putting that little deal together, the Teachers Credit Society made a donation of \$5 000 to the Australian Labor Party. I am sure that no member on the opposite side of the House would deny that.

Mr MacKinnon: Was it one of our mates who picked up the cheque?

Mr CASH: It certainly was not one of the mates of anyone on this side of the Chamber. The person who picked up the cheque was none other than Kevin Edwards, that person who was again mentioned on a number of occasions tonight.

Mr Clarko: He would be an example of the partial British public servant, wouldn't he?

Mr CASH: I would agree. The Treasurer himself is somewhat confused as to what directorships he holds or what real jobs he performs for the Government. One thing for sure is that it is admitted that he picks up donations for the Australian Labor Party. Before this saga is concluded, we will see that person featuring in a number of other activities and operations, with respect to not only the Teachers Credit Society, but also other matters in which he has been required to participate as an agent of the Government. What does the Minister for Police and Emergency Services say now? Does he still deny that Mr Kevin Edwards picked up money on behalf of the Labor Party?

Mr Taylor: You are speaking from a coward's castle, member for Mt Lawley.

Mr CASH: The Treasurer in this case spent days trying to evade the questions of the Opposition when we clearly had evidence to show that \$5 000 had been picked up on behalf of the Government and the Labor Party by Mr Kevin Edwards. Do you, Mr Deputy Chairman, remember just how many times the Treasurer tried to evade the question, how he tried to slide from under the question? Sure enough, in the end the Deputy Leader of the Opposition tabled a photocopy of the original cheque, the one for \$5 000 clearly made payable to the Australian Labor Party. Only this week, we found that the cheque was deemed not to be an illegal donation. I accept that decision of the Electoral Commission. However, I cannot accept that the Treasurer spent days trying to evade the real issues with respect to questions asked about the matter. The answer should have been that the Teachers Credit Society made political donations to the Australian Labor Party in return for favours granted through the Government and, in general, the Australian Labor Party.

I wonder which of the employees and directors of the Teachers Credit Society will be charged with offences as a result of the massive losses of that society. I wonder whether the Government will go into its usual huddle before those charges are preferred and will try to evaluate the damage that is likely to occur if and when certain people who worked with Teachers Credit Society are charged. When certain people are charged they will have an opportunity to speak very clearly about those who were pulling the strings - the people who were giving instructions with regard to the general operations of that society. I wonder when the Government will admit that the directors of the Teachers Credit Society have already been approached to make a contribution in respect of the contributory negligence, to which they have already admitted, as a result of their actions while employed by or acting as directors of the Teachers Credit Society. Is it not true that one of the directors, Barry Markey, was prepared to make a contribution of \$25 000 towards some of the damage that he was alleged to have caused? Is it not true that solicitors acting for the TCS and/or the R & I Bank said that he would be required to make a contribution of \$100 000 in respect of his contributory negligence? Where do Ann-Marie Heine and Jeff Bateman stand in respect of those contributions? Does the Minister for Police and Emergency Services know?

Mr Taylor: What are you talking about?

Mr CASH: The Minister is very aware of what I am talking about; he knows that Barry Markey has now agreed to make good a contribution of \$100 000. The Minister also knows that Ann-Marie Heine and Jeff Bateman have claimed that they do not have sufficient funds to make a contribution of \$100 000 each for their contributory negligence in the failure of the Teachers Credit Society.

Mr MacKinnon: What will happen?

Mr CASH: It will be part of the long-playing saga of the Teachers Credit Society. It is a case of the Government drip feeding the public of Western Australia.

Mrs Beggs: You look as though you could do with a transfusion.

Mr CASH: If that is the best the Minister for Housing can do in this place, it explains why she has failed in each of the portfolios she has handled. One has only to read the newspapers to be aware of the diabolical situation in respect of housing. Although I do not have much time for the member for Nollamara, the Minister for Health -

The DEPUTY CHAIRMAN (Mr Thomas): Order! The member for Mt Lawley will confine his remarks to the subject before the Chair.

Mr CASH: I was only answering the interjection.

The DEPUTY CHAIRMAN: The member should address his remarks to me and not answer the interjection.

Mr CASH: I do not have much time for the current Minister for Health but when he was Minister for Housing he was at least better than the present Minister.

The DEPUTY CHAIRMAN: Order! I just asked the member to confine his remarks to the subject before the Committee.

Mr CASH: I ask the Government when it will tell us about the contributions that are to be made to the Teachers Credit Society by Barry Markey, Ann-Marie Heine, and Jeff Bateman.

How long will it be before the Government comes clean on those matters? When will the Government admit which person from the Premier's office rang Mr Phillips of the R & I Bank advising him that the bank would be putting money into the Teachers Credit Society, whether or not it felt that it was a good business risk? When will the Government admit that although its advertisements on television are designed to portray a Government helping the little man, part of the reason it decided to prop up the Teachers Credit Society was that certain overseas investors had considerable sums of money invested which would have been at risk if the TCS had collapsed?

Mr Taylor: What nonsense. You name them.

Mr CASH: The Minister for Police and Emergency Services is getting hysterical again. One has only to prick a nerve and he goes off his face. I challenge the Minister to prove that overseas investors were not involved in the TCS at the time the Government agreed to bail it out.

Mr Hodge: Name them.

Mr CASH: The Minister for Conservation and Land Management has the opportunity and he has the records. I will leave it to the Government to name those people. Members will recall that for weeks the Labor Party denied that it had received the \$5 000 cheque, but in the end it had to admit it. This will be a similar situation; the Government will deny the existence of overseas investors with considerable sums invested in the Teachers Credit Society, but in due course when the records are put on the table, the existence of those overseas investors will be quite clear, together with their connection with the Government, at the time TCS was rescued by the Government.

Mr CLARKO: The blame for the Teachers Credit Society fiasco lies with the former Premier and Treasurer of this State, Brian Burke. As Treasurer he was responsible for credit societies, building societies, and the like, and for the registrar who handled those societies; he was responsible for that officer carrying out his duty, broadly described as supervising the financial activities of those organisations. That officer failed in his duty and the former Treasurer failed in his responsibility. In the United Kingdom any Minister behaving in such a way would automatically resign. He would not go to Ireland with a sinecure, as the ex Premier of this State did. In passing, I must say that I was horrified at the question asked in this place in the last couple of weeks as to whether a former Premier could postpone his entitlements to year one after he had been Premier. The answer was that he could, and it was revealed that Mr Burke had done so. It is absolutely disgraceful that the ex Premier, who has been well treated by this State, should put his hand into the jar.

The fault lay with the former Treasurer, Brian Burke; he was responsible for the registrar's carrying out those duties laid down by parliamentary legislation, and he failed in that regard. When that occurred the Cabinet of the day supported him, and this situation has now passed to the present Cabinet and the present Treasurer of Western Australia. Whether or not the Treasurer likes it, he is carrying the odium, as is the whole Government. It is amazing in the extreme to read the full page advertisements in the newspaper showing a family which says how noble are Peter Dowding and company for bailing out the TCS. According to the advertisement that man is one of the 60 000, or 30 000, people with money invested in the credit society and he thanks Mr Dowding for his actions; but what about the other 1.4 million people in the State other than the 30 000 who were looked after?

Mr Taylor: There were 80 000 accounts.

Mr CLARKO: I was told there were a lot less. I will check the figure of 80 000 individuals given by the Minister. As a member of the Labor Party he should know the intimate details.

The DEPUTY CHAIRMAN: The member for Karrinyup will address himself to the Chair and not to the member who is interjecting.

Mr CLARKO: Yes, Sir. I tend to follow the habit of the Premier, who never looks in the direction of the Chair. I agree it is a fault and will try to remedy it.

The DEPUTY CHAIRMAN: I do not care where the member looks, but he must address his remarks to the Chair.

Mr CLARKO: Certainly, sir.

There is no doubt that the Minister for Labour should know about this. Members should recall that members of the Labor Party found out intimate and private details of Keith Simpson and leaked them around Western Australia; a disgraceful piece of behaviour and a dreadful act! Members of the Labor Party rang people saying, "I want you to give me this information." How disgraceful was that? Now we have this photograph of this nice young Western Australian couple saying, "Thank you, Mr Dowding, for helping us." What about the 1.4 million people who are sharing that \$25 million shown in this item? Not a word about those people who have lost out through no fault of their own. They did not chase higher interest rates. A fellow rang me saying he left his money in the R & I Bank, that he could have put it in the Teachers Credit Society at one or two per cent higher interest, but he played safe and left it there, foregoing that extra interest, and now he is paying for these other people.

We place no blame on the people who had their money in Teachers Credit Society, but fancy having the gall - and only a Labor person would have the rank cheek and hypocrisy to do this - to come out and say what noble people they are for looking after this handful of Teachers Credit Society depositors while sending the private financial position of 1.4 million people down the drain to the tune of \$25 million, which appears before us now, and \$119 million as at 30 June; as the member for Mt Lawley said, the final total could reach \$200 million. Every man, woman and child in Western Australia will be giving up some part of their income because of this and yet the Minister tries to make cheap political capital out of the few people involved in Teachers Credit Society who were getting a higher rate of interest than they would have got had they put their money elsewhere. Conventionally, the greater the rate of interest the greater the risk. Everyone knows, as it was talked about in this Parliament and in the community a year or two back, that it was commonly said by bankers in Perth to someone who went to them with a harum scarum deal, "Go to Teachers Credit, the kamikaze lenders," which is what the bankers of Perth called them. If someone borrowed from them they paid a couple of per cent higher interest, because the risk was higher, and if someone invested there they got a couple of per cent more interest because the risk was greater.

It would be interesting to look at the list of 80 000 depositors to see how many friends of the Minister for Police and Emergency Services and others were depositors. Did the Government make this decision because some of its friends were involved as investors? I know some people who had money in that society who are great friends of the Government.

Mr Pearce: Who? Name one.

Mr CLARKO: I will name who I want when I want, and I certainly will not have some little jackanape like the Leader of the House, some little cheap debater who has no idea of the truth with regard to his speech making, altering that. The Leader of the House thinks he is with a bunch of high school students saying "Which side will we be on tonight? Will we be for peace or will we be for war?" The Leader of the House will speak for peace today and war tomorrow; he does not care because he has nothing in his heart or head, but a lot in his mouth - everybody knows about the bionic lip. I will decide what I say and he will not point me into saying something. He is becoming worried because he knows the Teachers Credit Society is one of the most lamentable fiascos that ever occurred in this State. There are 1.4 million people in Western Australia suffering financial loss because of the inaction of this Government and because the people opposite failed to carry out properly their ministerial duties. Brian Burke failed in the first place, the whole Cabinet failed, and the Leader of the House is one of those failures. We could go further and look at the people on the board of the Teachers Credit Society; those who have been in education know quite a few of them. I thought at the time that it was interesting that so many people out of the teaching profession were on that board.

Mr Pearce: That is why they call it Teachers Credit Society, you goose, it came out of the Teachers Credit Union.

Mr CLARKO: I know that well, but some people say that the reason this society collapsed was because there was a whole group of ex teachers there who knew nothing about financial matters and who had no skills to handle them. Many people say that is the truth. They said, "Alex Clark knows about this. I am on the board of directors but am not expected to know anything."

I challenge this Government to try to defend the hypocrisy of the people called to answer at the inquiry. Why did the inquiry not get everybody in? Why was Ann-Marie Heine not called? She was given a job in the SEC on \$64 000 a year as a personnel officer yet she had no qualifications as a personnel officer. I believe that her salary is now approaching \$70 000. There would not be a single personnel officer in Western Australia on half that salary who does not have a qualification in that field or has not been in it for many years. That was one of the Government's jobs for the girls - I should say jobs for the person; I should not say "person" because it has the word "son" in it. That woman was given a job for which she had no qualifications. She was Secretary of the Teachers Credit Society but was not called to say a single word at the inquiry; the Secretary of the Teachers Credit Society was not called, yet I would have thought that that was an important position, one of the linchpins, but she says, "I did not have anything to do with it - know nothing about the subject." That was the pity; the board did not know anything about the subject because everything was in the hands of Alex Clark. According to evidence I read some months back, he was a tyrant who would not let these people query his decisions. If that is true, it seems to me there was a failure on the part of board members in this respect, particularly if they were there without a proper business background, which it seems most of them were.

That organisation was an abject failure. I find it incredible that the Minister for Police and Emergency Services should call out that these four major debtors of that society were members of the Liberal Party, because that is what he said.

Mr Taylor: "Mates".

Mr CLARKO: The Minister for Police and Emergency Services said that they were members of the Liberal Party. I challenge him to listen to the tape; he used the words "Liberal Party". If the Hansard reporters do not have the words "Liberal Party" recorded, I challenge them to listen to the tape.

Several members interjected.

The DEPUTY CHAIRMAN: Order! The member for Karrinyup will address the Chair.

Mr CLARKO: Yes, Sir. I do not know, and I have been a member of the Liberal Party for 30 years. The Minister for Police and Emergency Services has not been a member of the Liberal Party for five minutes, although the Leader of the House was a member, but they saw the need to clean the place up and got rid of him. I challenge him to produce evidence that those four major borrowers were members of the Liberal Party. Even if they were, so what? We are not our brothers' keepers. It was a lunatic comment.

Mr Taylor: You just contradicted yourself.

Mr CLARKO: The Teachers Credit Society is just one of the many mile posts on the Government's final road to defeat. The public of Western Australia think that this Government is shifty. If one goes into the pubs and clubs one finds that people think that this Government, to use a word that I can now use with impunity because it has a new meaning nowadays, is corrupt. It is okay for me to say that because the member for Perth uses that word and has a fancy meaning for it which makes it acceptable. The people of Western Australia think that this Government is corrupt. But in regard to Teachers Credit Society, these people think that the Government is grossly inefficient, that it mismanaged the affairs of this State and failed to carry out the proper legislative requirements that the ex Premier, as Treasurer of this State, was charged with carrying out to ensure that the registrar examined the books of those organisations. I think that they had to submit their figures on a 90 day basis. The Government failed to do that. Now we are left with a sum of money, we know it was \$119 million as at 30 June 1988; today it is probably \$150 million and growing.

The Government has conducted a very spurious investigation, in which it left out the key people who should have been investigated - such as Ann-Marie Heine - and failed to look into the matter properly. If the Government leaves it at that point it will be like what it has done in regard to the investigation of corruption in the Perth City Council, where it set up two funny sorts of investigations, the outcome of which is sheer lunacy. I see the member for Perth is smiling like a Cheshire cat from behind his newspaper. He is the man who had a free wedding reception there, yet the very first thing he did when he entered that council was to attack it and accuse it of giving free lunches. That is a typical Labor Party approach. The Government has yet again mismanaged hundreds of millions of dollars of taxpayers' money

by having to rescue the Teachers Credit Society, as reflected by this item in our Budget, which would not have been the case if the former Treasurer had done his job properly. He should have resigned when everybody found out he had not done his job, as any other Premier governing under the Westminster system would have done. If he had been in London, he would have gone the next day; he would not have gone to Ireland. This is a serious matter. It is dreadful to think that we have in this item an expenditure of \$25 million, yet the Government is boasting about its expenditure of \$12 million on its family policy. The Government could have put \$37 million into that if it had not been so inefficient in this regard. The Government collected 28.5 per cent more in taxes and charges in 1987-88 than it did the year before, and that was at a time when the rate of inflation was about seven per cent, so it was about four times as much. This is one of the landmarks of the Government's poor administration, which is getting worse by the day. We see every day examples of how this Government is inefficient and shifty, and on both accounts the Government is right at the bottom of the pile.

Mr MacKINNON: This item gives us the opportunity of raising once more what are the real issues in respect of the rescue of the Teachers Credit Society. I indicated in debate earlier today that I am pleased the Government has entered into a program of advertising in relation to the Teachers Credit Society because it serves to focus the attention of Western Australians on what is one of the biggest mistakes of this Government during its term of office. The central question - as all the Western Australians I have spoken to recently know - is why was the Teachers Credit Society allowed to get into the situation in the first place where it needed to be rescued. The former Treasurer knew in December, prior to the time in August when the Teachers Credit Society rescue was launched, what was the situation with Teachers Credit Society, but nothing was done. Why was no proper control put in place, even though over 12 months before the rescue the Teachers Credit Society was given an exemption from the prudential guidelines laid down for the proper and good management of building societies? Why has there not been a proper inquiry into the Teachers Credit Society? Even if each one of these major borrowers was a friend of the Liberal Party - as the member for Scarborough continues to parrot, and the Minister for Police and Emergency Services has also taken this up - so what?

Mr Burkett: Is Peter Tilli a friend of the Liberal Party? He gave a function in January 1986, which you and Richard Court went to. Tell the truth - is Peter Tilli Labor or Liberal?

Mr MacKINNON: If the inane interjections of the member for Scarborough and the Minister for Police and Emergency Services have any credibility or relevance, why do we not have an inquiry to find out?

Mr Pearce: That is a fair question. Is Mr Tilli one of your friends?

Mr MacKINNON: Is he one of your friends?

Mr Pearce: No; he is no friend of the Labor Party.

Mr MacKINNON: Do you know Peter Tilli?

Mr Pearce: I have never met him.

Mr MacKINNON: What about Warren Martin? Have you ever met him?

Mr Pearce: His name is not Warren; it is Robert Martin.

Mr MacKINNON: Do you know him?

Mr Pearce: I have never met him.

The DEPUTY CHAIRMAN: The Leader of the Opposition will address himself to the Chair.

Mr MacKINNON: Mr Martin was apparently a good friend of Mr Brush, and he was a friend of the Labor Party.

Mr Pearce: Mr Martin was not a friend of the Labor Party.

Mr MacKINNON: I remember seeing Mr Brush handing out "How to Vote" cards for the Labor Party at a recent by-election. The point I want to make is if there is any relevance in any of those comments - which there is not - why do we not have an inquiry to find out? What that inane comment means is that because they are members of the Liberal Party -

Mr Pearce: That is an admission!

Mr MacKINNON: No; it is not. I am saying what members opposite are saying. I do not know whether they are members of the Liberal Party, and even if they are, members opposite are trying to say that the Teachers Credit Society loaned them money because of that.

Mr Pearce: We are not saying that at all.

Mr MacKINNON: How ridiculous is it when we heard the former Treasurer - and members opposite stood up to support him - saying the Opposition was trying to bring down the Teachers Credit Society. If those people are our mates, why would we try to bring it down? Members opposite cannot have it both ways. If the Teachers Credit Society rescue was so universally accepted, why is the Government now advertising? The Government is advertising to try to rescue itself from a very precarious position. The real question is why was the Teachers Credit Society allowed to get into the position where the Government has now committed \$79 million of taxpayers' funds, with probably another \$100 million to go? That money could have been spent on schools in my electorate and in other electorates, and on hospitals and necessary capital works programs, but because of this Government's ineptitude, that money had to go into a rescue plan. The taxpayers of Western Australia have to fund this Government's ineptitude. I challenge the Minister for Police and Emergency Services - and he probably does not know; he is one of those persons left in the back room a bit; they would not trust him with the information - to tell us what will be the loss in reality. What are the losses to date?

Mr Taylor: The loss was announced as being \$119 million.

Mr MacKINNON: That was announced many months ago. What is the current loss situation?

Mr Taylor: I told you.

Mr MacKINNON: Does the Minister stand by that figure? It will not be any more than that?

Mr Taylor: It is \$119 million.

Mr MacKINNON: It will not be any more?

Mr Clarko: He will not answer that.

Mr Taylor: I answered it three times.

Mr MacKINNON: I sincerely hope that in this debate - or if not in this debate, then within the next day or two - we will get a commitment from the Government as to what are the losses of the Teachers Credit Society at this time. The public of Western Australia are entitled to know what will be the full extent of the losses because they will have to fund the Government's ineptitude. They are having rammed down their throats every day on television the reasons why the Government mounted the rescue. I hope that the Minister - to whom I give credit for having a modicum of intelligence on that side; he is one of the few persons who does - will give us an indication of what those losses will be and what they are at this point - instead of being like the member for Scarborough, who is sitting over there and making inane comments and interjections - because I, like the member for Karrinyup, do not believe that the loss currently stands at only \$119 million. Members would know as well as I do that the Esperance Bay Motel was sold last week well below the guarantee extended by Teachers Credit Society. If that was included in the figures, I would be interested to know, and if not, by how much extra has that \$119 million now blown out. Every day we see examples of that happening. The Government has a responsibility to explain to the people picking up the tab, the taxpayers of this State, what the funds are.

Mr BLAIKIE: I express my concern, as other members on this side of the House have already done, about the Government's involvement with the Teachers Credit Society. I will take the Chamber back some two years to when one of the better known finance houses of the south west, Payton Finance, got into financial trouble to the extent that it called a meeting of shareholders and creditors to enter a scheme of financial rearrangement and management. Just after that, the Government turned around and bailed out the Teachers Credit Society.

Mr Taylor: Well after that.

Mr BLAIKIE: It was just after that.

Mr Taylor: It was well after that.

Mr BLAIKIE: It was just after that the Government turned around and bailed out the Teachers Credit Society. The Government then became involved with other building societies, like the Swan Building Society - the list goes on and on. I wrote to the Premier and brought to his attention the fact that the Government was becoming involved with assisting the Teachers Credit Society and using taxpayers' funds to bail it out. I said, while the Government might do that, what would it do for all those creditors and people with funds invested in Payton Finance of Bunbury? Payton Finance would have been one of the best known and most widely respected of all finance houses in the south west up to that stage. It was virtually a household word. For all I know, the Minister for Tourism may have invested in Payton Finance.

Mrs Beggs: I have never had enough money to invest anywhere.

Mr BLAIKIE: Many people did not have enough money to invest, but they used Payton Finance virtually as a savings bank. The organisation was started by the late Norm Payton in the late 1930s. However, it ran into financial problems. The meeting of shareholders in Bunbury was attended by some 2 000 people - possibly one of the largest meetings ever held in the south west, including political rallies and all other rallies. That was the extent of the involvement of the people with Payton Finance.

A scheme of management was entered into. My comment to the Premier was, "Why are you not helping Payton Finance in the same way as the Teachers Credit Society?" The Premier's reply to me, which was printed in newspapers across Australia, was that the Government would not help Payton Finance because it was a private enterprise organisation and was not in the same category as the Teachers Credit Society. He went on to say that if the Government helped Payton Finance it would be the same as the Government bailing out organisations similar to Reid Murray. Lo and behold the Premier and the Government 12 months ago bailed out Rothwells. For God's sake! Rothwells is not a charitable organisation, but the Government is treating it as a charitable organisation. If it was good enough to bail out Rothwells -

Mr Read: Would you have done?

Mr BLAIKIE: I would not have helped Rothwells.

Mr Read: Would you have helped Payton?

Mr BLAIKIE: I would have been consistent.

Mr Read: You would or you would not?

Mr BLAIKIE: Mr Deputy Chairman, in addressing you - there is a far greater level of intelligence at your end of the Chamber than the other - I want to state very positively that the management of Payton Finance made a commercial judgment. It made commercial decisions, and as far as I am concerned it found the cold winds of commercial judgment blowing. That was its decision, and so be it. As far as the Teachers Credit Society is concerned, the same applies. It made commercial judgments and it should have been there to pick up the tab. As far as Rothwells was concerned, I would not have supported Rothwells at all. The people who decided to invest high risk money with Rothwells were taking the advantages and they should have been prepared to accept the losses as they came forward.

My point is that the Government has different sets of rules for different people. Obviously it has no mates in Payton Finance. Payton Finance had to paddle its own canoe and make its own scheme of management to get out of the financial difficulties it had. But the Government has an entirely different set of rules when it comes to people such as Ann-Marie Heine, who was part of the Teachers Credit group. She has now gone to greener pastures - heaven help the State - as a commissioner with the State Energy Commission. For the incompetence which she obviously showed, she has now become one of the commissioners of the State Energy Commission.

Mr Hodge: She is not a commissioner; she is an employee.

Mr BLAIKIE: She is a high profile member of the Australian Labor Party.

Mr Troy: Don't you know the difference between a commissioner and an employee?

Mr BLAIKIE: She was a high profile member of the Teachers Credit Society, and she has now been given a plum position with the State Energy Commission.

Several members interjected.

Mr BLAIKIE: I said, she has now been given a plum position with the State Energy Commission.

Mr Troy: You said she is a commissioner. Don't you know what you are talking about?

Mr BLAIKIE: She has a plum position as a personnel officer. Whatever it is, it is a plum position. She was appointed by the Government.

Mr Gordon Hill: Do you say she is not qualified to do that job?

Mr BLAIKIE: I certainly would not have given her the job after the debacle of the Teachers Credit Society. We have seen one rescue operation for Rothwells; we have seen another rescue operation with the Government's purchase of blue sky in the petrochemical plant.

Mr Clarko: I think it is grey sky.

Mr BLAIKIE: Very grey. Lo and behold, we now understand there is another rescue in the wind. We have three rescues for Rothwells, because Rothwells has friends in high places, or it is able to convince the Government of its need for assistance. But as far as Payton Finance is concerned, not a cent; nothing.

Let me tell this miserable Government about some of the people involved with Payton Finance. There was a host of parents and citizens groups throughout the south west which had their money in Payton Finance, and when it went into the scheme of management those people were unable to draw on the money they believed they had because the company had to earn its way out of its financial predicament. The member for Murray-Wellington has just mentioned the Harvey-Brunswick Football Club. The Busselton and Districts Hockey Association had approximately \$25 000, which it had carefully earned over a number of years towards paying for a hockey stadium, invested with Payton Finance. That money was the result of years of work by the members' wives including selling lamingtons. When the scheme of management came into effect the hockey club was unable to draw its money out of Payton Finance. What did this miserable Government do about it? It completely ignored those organisations while it helped Teachers Credit Society and Rothwells Ltd. There were a number of church groups which had similar problems.

There is a very real need for a substantive inquiry into the operations not only of the Teachers Credit Society, but also of the Government. The people of the south west know that the Government has a different set of rules for different people. The Government has rules for people it strongly favours, and other rules for people for whom it has no regard. People get caught up in exactly the same set of circumstances yet the Government will, on the one hand, ignore one lot of people and, on the other hand, bend over backwards financially and in other ways, to help those people with whom it wants to curry favour.

I have explained to this House the circumstances of Payton Finance, a well respected finance house with literally thousands of shareholders and individual people who have their savings invested there. Those people have not only been rejected by the Government, but also by the Premier saying that the Government would not help such an organisation because it was a private enterprise organisation. However, the Government bails out Rothwells Bank, which is basically a single person operation, once, twice, and we are now coming up for the third and fourth times, to the tune of hundreds of millions of dollars. That is the callousness of this Government.

Mr Gordon Hill: That is just not true.

Mr BLAIKIE: I will take the Minister on board. It is absolutely, positively true. The Minister would not have a clue at all. I challenge the Minister, at any time he likes between now and the election, to come with me to the south west and, in any forum, I will debate the merits of why Payton Finance should have had some assistance. The Minister can then tell the people of the south west why his Government refused to assist Payton Finance.

I have already said that I would not have helped any of the organisations because I believe they made commercial judgments and they must stand, commercially, on their own. What I am saying is that because the Government helped the Teachers Credit Society, the Swan

Building Society and Rothwells bank, it has set a precedent - a pattern - for helping people involved in the commercial world, and the fact that it has not helped Payton Finance is an indictment against the Government.

I challenge the Minister and any member on the Government's side, to come to any venue in the south west - Bunbury, Harvey, Bridgetown, Manjimup, Boyup Brook, Busselton, or Margaret River - where there is a substantial number of people who invested savings in Payton Finance, and I am prepared to give those people, chapter and verse, the situation as I see it. I invite Government members to give the people chapter and verse as to why the Government does not support the people involved in Payton Finance, but protects its own mates in Teachers Credit Society or Rothwells bank.

Here is a multinational corporation now involved in a petrochemical scam. The Government cannot run away from that fact. I assure Government members that these matters will pursue them throughout the days of the election period, because more and more people will ask the Government why it has these double and treble standards. Why is it that the Government has some special mates in special places who receive ultra special favours which are not available to anyone else? Other people, in other circumstances, do not get any assistance at all, and are completely ignored. It is the Government's responsibility to answer why it has double standards and special mates, and why it completely ignores other people. With those comments, I reiterate the need for a substantive inquiry.

Mr TAYLOR: This is a rather desultory response from the Opposition to one of the most crucial issues in recent years. There is no doubt that the principal people who owe Teachers Credit Society money - people like Tilli, Turner and Potter - have been, over the years, very close to the Liberal Party in this State.

Mr Blaikie: What a lot of rubbish.

Mr TAYLOR: The member for Vasse and the member for Mt Lawley can complain as much as they like, but the fact is that the people who played a major part in bringing down the Teachers Credit Society have, over the years, been very close to the Liberal Party in this State. It is a mark of the Liberal Party in this State that it is now prepared to pretend it does not know, and has had nothing to do with, the people with whom it has been running over the years - whom it has undoubtedly called friends. That is the calibre of Opposition members in this State. Not only do they deny that they have had any relationship with those people but also they take it one step further and say they are not mates of theirs, they know nothing about them, have never had anything to do with them, and who are they?

We all know differently. We all know that those people have been related to the Liberal Party for a long time. I would bet my bottom dollar that they have been financial supporters of the Liberal Party for many years. If we ever want to know why the Liberal Party in this State will not support legislation requiring disclosure of contributions to political parties, this is one reason. The Liberal Party knows it would get a bit close to home, and that is the truth of the matter, without any doubt at all.

The member for Mt Lawley, as does the member for Vasse, names people. They, above all others in this Parliament, are the kings of their cowards' castle. They are prepared to stand up in this Chamber and name almost anyone on any false premise, without any hint of shyness whatsoever. They do it because they know they have the complete protection and privilege of this Parliament, and they use it as a cowards' castle. The member for Vasse talked about organisations like Rothwells bank, and said he would not back it. The fact is that Rothwells had major investors in some of the senior church organisations in this State.

Mr Watt: What about Payton Finance?

Mr TAYLOR: I am coming to that. Also, very large charities in this State were investing in Rothwells, as were local government organisations and thousands of small depositors. Such is the hypocrisy of the member for Vasse that he would say, "Let us leave Rothwells to one side; what about Payton Finance? A hockey club in the south west invested in that company; so we should support them." That is fine; but if it is good enough to leave Rothwells to one side - and the churches and charities and local government organisations, not to mention thousands of individuals - why should we have supported Payton Finance? The fact is the member for Vasse is the ultimate hypocrite. That is what he said. Let us hear it from the Opposition. Only four of its members are here - that is how much they care about the

thousands of people involved in Teachers Credit Society who had to get their money back. Only four members sitting on the Opposition benches at the moment!

An Opposition member: Can't you count?

Mr TAYLOR: I would hardly count the member for Narrogin as a member of the Liberal Party. The member for Gascoyne has just sat down and that makes five - he is worth at least double the rest of the members opposite put together, I will say that. Only five of them are left, and one from the National Party over there in the corner.

Mr Clarko: That is right, keep talking and avoid the argument as much as you can.

Mr TAYLOR: This is the argument. I ask the member for Karrinyup this question: Would he or would he not have assisted Teachers Credit Society in the situation it faced?

Mr Clarko: I am not steering the ship - you are.

Mr TAYLOR: Would he or would he not?

Mr Clarko: You are steering the ship. Are you beating your wife?

Mr TAYLOR: The member for Karrinyup was able to stand up in here -

The DEPUTY CHAIRMAN (Mr Thomas): Order! It is becoming difficult for the Hansard reporter.

Mr TAYLOR: The member for Karrinyup knows that this gets a little close to home occasionally. The fact is, even when it gets so close to home he is still not prepared to tell this Chamber one way or another whether he would have assisted Teachers Credit Society in the situation it faced, and the same applies to Swan Building Society. Would he or would he not? The Opposition would not have assisted them - it has made it quite clear, and that is why it hurts. It hurts the Liberal Party members when they see the McKay family prepared to stand up and be counted and say to the people of Western Australia, "We were one of those little people who were assisted on this occasion"; and so they should have been.

I do not remember whether it was the member for Vasse or the member for Karrinyup who said, "Well, they paid the price of seeking out high interest rates, and that is their bad luck."

Government members: It was the member for Karrinyup.

Mr TAYLOR: Thank you.

Mr Clarko: I never said that.

Mr TAYLOR: Well, what does the member say?

Mr Clarko: Would you like me to get up? Can I speak now for 15 minutes?

Mr TAYLOR: No - interject.

The DEPUTY CHAIRMAN: Order! The Minister will address the Chair and the member for Karrinyup will stop his repetitive interjections.

Mr Cash: You have four minutes. You have raved on.

Mr TAYLOR: The very pathetic member for Mt Lawley, who does not even have the courage to run for a seat in the Legislative Assembly because he thinks it might be a little too difficult for him, and who now slumps down in his chair, wanders around the countryside making things up then comes back here and says nothing about them. The fact is that this Opposition is a pathetic Opposition. It would not have done anything about it at all - it would have let tens of thousands of depositors with Teachers Credit Society go through to the keeper. Members opposite would not have worried about them. They would have been concerned to protect their mates such as Tilli, Turner and Potter. They would have been concerned to protect people like Tilli who used to put on shows for the Liberal Party in the northern suburbs, and the likes of Turner, a former President of the Liberal Party - and I bet the Opposition will be running for cover when the courts in this State have a little closer look at what really happened at Teachers Credit Society, when they really look at who was responsible for the fiasco there. They will find out it is very close to home. As I said before, it is very close to home and that is why the Liberal Party will not support disclosure legislation when it comes to contributions to their party - these things would hurt more than a little if that were the case; they would hurt a lot. Members opposite talk a lot about \$5 000

donations but I would like to know what sort of donations they and their mates - who they now say are not even mates; that is how low the Liberal Party in this State is, it will not even support the people who supported it in times gone by - were party to. I would like to know how much changed hands between the Liberal Party in this State and the likes of some of those people I have mentioned. I bet my bottom dollar that many a dollar has changed hands, and members opposite have every reason to be very wary indeed about the outcome of any inquiry by the courts in this State into Teachers Credit Society.

Members on this side of the Chamber are very proud that they stood up and supported those small investors, and there was every reason to support them. When people like the McKays are prepared to stand up in a very public way and say it, that means this Government and we, as members of this Government, have a reason to stand tall and say we have done the right thing by the people in supporting Teachers Credit Society; we have done the right thing by this State.

Mr CASH: I have guests here tonight and I wanted to bring them to the Parliament so that they would get some understanding of the way the Parliament of this State is run. How disappointed they must be after having listened to that weak contribution from the Minister for Police and Emergency Services, because the Minister, replying on behalf of the Government, did not address one of the matters raised by Opposition members. Why would the Minister want to roam off into the wilderness and not address those matters? I wonder whether it was a case of his running for cover? He, like other members of the Government, seeks to justify, firstly, the expenditure of huge amounts of taxpayers' money to fill in the holes that have been created by the losses in Teachers Credit Society; but, more than that, he was not prepared to address the reasons for the Government's not supporting the people of the Bunbury and Busselton areas when a finance company - Payton Finance - ran into difficulties.

Mr Blaikie: Ask the member for Bunbury what he thinks.

Mr CASH: Let us ask the member for Bunbury. He is here - it is a rare time that he is in the Chamber.

Several Government members interjected.

Mr CASH: Mr Deputy Chairman, I turned to ask the member for Bunbury a question and, to try to defend him - to try to prevent him from answering -

The DEPUTY CHAIRMAN (Mr Thomas): Order! Perhaps the member for Mt Lawley might address the Chair.

Mr CASH: I would be delighted to, Mr Deputy Chairman. You saw for yourself that I turned to ask the member for Bunbury a question and, before he had an opportunity of replying, no doubt in case he said the wrong thing, all the Government members decided to respond on his behalf.

Several members interjected.

Mr CASH: It is the Labor way.

Several members interjected.

The DEPUTY CHAIRMAN: Order! Order! There is too much interjection.

Mr CASH: Perhaps we can ask the member for Mitchell, who has now joined us. The member should take a seat and then answer the question. Maybe he could answer whether he believes the Government should have supported Payton Finance. There is no comment, Mr Deputy Chairman, because the Government members know that they had one rule for the rich and one for the poor when they decided to back Teachers Credit Society.

I will not run through all the matters raised in earlier debate; I just want to put on record that the Minister for Police and Emergency Services refused point blank to address the various matters raised by the Opposition, and that in itself leaves a lot of questions to be answered. I just ask the Minister for Police and Emergency Services, through you, Mr Deputy Chairman, whether he will try to prevent charges being laid against officers or directors of Teachers Credit Society. Will he use his position or will he run off?

Mr Taylor: You might like to think that I use my position like that, but I do not.

Mr CASH: One only has to turn to members opposite and they start to perform. The Minister for Police and Emergency Services is almost beside himself with hysteria. I asked him whether he would use his position to prevent charges being preferred against officers or directors of the Teachers Credit Society.

Mr Carr: He could not and you know it.

Mr CASH: The Minister for Mines had better not say too much because I could mention the Abbott case. The Minister knows what I am talking about -

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Mr CASH: If only one could be heard above the Labor hysteria. It is not as though I am going to ask members opposite about the \$5 000 cheque again; we have sorted that one out. The Federal Police decided that was not illegal, so we can drop that one.

Mr Blaikie: I think you should explain that cheque to the gallery.

Mr CASH: That was the \$5 000 cheque which was paid only a few days after the Australian Labor Party, through the Government of this State, had agreed to bail out the Teachers Credit Society by using the R & I Bank as its banker. Of course we know -

Mr Troy: What did they find? Case dismissed.

Mr CASH: Who?

Mr Troy: By the Electoral Commissioner.

Mr CASH: I just said that. Did the Minister for Labour not hear me?

Mr Troy: Do you really want to put that into the record with the rest?

Mr Carr: You were wrong.

Mr CASH: No, we were not wrong; we raised in this House the fact that the Australian Labor Party had received a donation of \$5 000 from the TCS and that that donation had been picked up by a Labor Party man, Mr Kevin Edwards, who also at that time happened to work for the Premier's Department. That was all fact, but members opposite denied it day after day, week after week.

Mr Carr: No, we did not.

Mr CASH: I suggest the Minister for Mines should go back through the *Hansard* and read what was said.

Mr Carr: I am happy to.

Mr CASH: The Minister tried to convey to the public that the Government did not receive the money.

Mr Carr: That is not true. You are making it up again. No wonder everyone calls you "Make it up Mr Lawley".

Mr CASH: That was the situation. For days the Premier denied in this place the fact that they had received the money. It was not until we tabled a copy of the cheque that the Government decided we had it red handed. As far as the member for Geraldton is concerned, I previously mentioned the Abbott case. If he wants me to raise that matter, I am more than happy to do so.

I rest my case by saying that the Minister for Police and Emergency Services refused to deal with the matters raised. He has left a lot of questions unanswered and I believe we will get those answers in due course when action is taken against - perhaps - borrowers, officers and directors of the Teachers Credit Society. When that matter is aired in a court of law we will get the answers, not only the ones that we are looking for but the answers the taxpayers of Western Australia deserve.

Mr CLARKO: If ever one had heard an absolutely blancmange response, it was the one given by the Minister for Police and Emergency Services a moment ago. He did not address the one single important issue, which is: Does he accept responsibility for the \$119 million deficit in the Teachers Credit Society accounts, which is a result of the failure of the former Premier and Treasurer to carry out his duties under the legislative requirements of this State

by supervising the registrar of building societies, credit societies and the like? That particular officer is required to examine the financial balance sheets of those bodies on a regular basis, which I think is every three months.

Mr Troy interjected.

Mr CLARKO: That is the heart of the problem. The Government set up this pathetic inquiry -

Mr Troy: Are you going to answer the question?

Mr CLARKO: What is the question?

Mr Troy: What would you have done?

Mr CLARKO: You are steering the ship. You are the one who is trying to hit the ball -

Several members interjected.

The DEPUTY CHAIRMAN: Order! Repetitive interjections like that make the debate very difficult to conduct.

Mr CLARKO: Members opposite have the bat and it is their job to hit the ball. They have failed to do that; they have been clean bowled, and like many batsmen who face up to the West Indians' fast bowling troupe they are ducking, wriggling, bending and trying to get out of the way of the ball. The ball is simply this -

Several members interjected.

The DEPUTY CHAIRMAN: Order! The member for Karrinyup should address the Chair and interjections of a badgering nature will not be tolerated.

Mr CLARKO: One hundred and nineteen million dollars is a very large sum of money. Today we are debating the question relating to the \$25 million being paid on that \$119 million by time payment by this Government. The Government has put it on lay by or something of that sort, and is paying \$25 million off the \$119 million. It is a huge amount of money, and with that money, as has been said before, one could build many schools, small hospitals, police stations, provide more policemen and do all of the sorts of things that the Western Australian community needs. The State Government collected \$230 million more last year than it collected the year before - a 28.5 per cent increase when there is an inflation rate of seven per cent - and in spite of that another \$119 million is going down the drain. The Minister has changed his argument; at the beginning he said - and I am sure it will be revealed in *Hansard* or at least on the tapes - that these four major borrowers were members of the Liberal Party. He produced no evidence for that and he tried to build his whole argument around the fact that these people may or may not be supporters of the Liberal Party and that has something to do with \$119 million. That \$119 million is due to the gross error of the people who ran the TCS, some of whom are close and bosom mates of the Government, and they allowed this huge sum to go down the drain. The Minister talked about these people being members of the Liberal Party and then tried to change it by saying they were supporters of the Liberal Party and then friends of the Liberal Party and so forth - may once have voted for the Liberal Party - but as we know, Ann-Marie Heine, who was never called before the inquiry and who was the secretary of the TCS, was the vice president of the Western Australian Labor Party. I do not think the Minister will suggest that any of the four people he named had anywhere near a position of that order - State vice president -

Mr Blaikie: I will tell you one thing: The Labor Party did not have her as its treasurer.

Mr CLARKO: It once had the Premier as its treasurer. He denied everything; he ran for cover and said, "I wouldn't know; I'm only the treasurer." What a glorious treasurer he would have made for TCS when it was in the middle of this shambles.

The real heart of the matter is that the Labor Party is in Government. There is legislation which says that the Government is responsible for these credit societies' financial balances, and that that is the responsibility of the Treasurer of the day. It is a matter that the people of Western Australia are interested in; because the Government mismanaged it, the people of Western Australia will have to pick up a tab of at least \$119 million. Twenty five million dollars of that is dealt with in this particular Budget. That is a matter of grave concern, and it is due to the mismanagement of members opposite. I repeat: The former Premier and Treasurer, Brian Burke, should have resigned his office as a result of this tremendous mess.

Point of Order

Dr ALEXANDER: I would suggest that the member on his feet is indulging in tedious repetition. I have already heard the remarks he has made at least three times. Mr Deputy Chairman, I ask your ruling on this matter.

The DEPUTY CHAIRMAN: Order! I gather that the member for Karrinyup was about to move on to new ground.

Committee Resumed

Mr CLARKO: I must say that there are some members in this place, and particularly the member for Perth, for whom one needs to repeat things more than three times. The member for Perth cannot grasp the meaning of words; he could not even grasp the meaning of the word "corruption". The member for Perth, with his communistic background, thinks that it is a good thing to share the \$119 million loss among the people. The 1.4 million people of Western Australia who are not in the newspaper advertisement are the ones who are concerned.

Several members interjected.

The DEPUTY CHAIRMAN (Mr Thomas): Order! The level of interjections is too much for Hansard staff and anyone else who wants to follow the debate.

Mr CLARKO: The member for Balga, who has probably only made one speech in this place, made disgraceful comments about my sister who has nothing to do with this debate. I do not know whether my sister had any money in the Teachers Credit Society.

Mr Cunningham: She praises the Labor Party every night for saving her money.

Mr CLARKO: Where does my sister live?

Mr Cunningham: That doesn't matter.

Mr CLARKO: Is the member sure he is talking about my sister? Where is the evidence? What sort of ratbag is he to make comments about whether my sister has money in the Teachers Credit Society? He is a charlatan.

Withdrawal of Remark

The DEPUTY CHAIRMAN: Order! The member will withdraw the word "ratbag".

Mr CLARKO: I withdraw the word "ratbag".

Committee Resumed

Mr CLARKO: The member for Balga does not understand the level or style of debate in this place. I have not heard a single member of the Government talk about members' relatives in terms other than to say that it probably ties in with an approach a colleague made. The Government decided it was to its advantage to raise the issue of Keith Simpson's \$30 000. The member for Balga raised a personal matter and that is an absolute disgrace.

Mr Cunningham interjected.

Mr CLARKO: I couldn't care less. It is a disgrace to talk in this place in that way.

Mr Marlborough: It saved your sister.

Mr CLARKO: The member has no idea. Has he ever spoken to my sister?

The DEPUTY CHAIRMAN: Order! The member for Karrinyup will address the Chair, not the member for Cockburn, who is not in his seat.

Mr CLARKO: The point is that the member has not spoken to my sister. He has no evidence of my sister's personal equity. Perhaps he has heard a rumour from the ratbag down the end.

Withdrawal of Remark

Mr CUNNINGHAM: I object to the remark about a member being a ratbag.

The DEPUTY CHAIRMAN: I uphold the point of order and request that the member for Karrinyup withdraw the word "ratbag" for the second time.

Mr CLARKO: I withdraw the word.

The DEPUTY CHAIRMAN: I caution the member for Karrinyup, because this is the second time he has used that word in this debate.

Committee Resumed

Mr CLARKO: I apologise, Mr Deputy Chairman. It was a weakness to use the same word; I could have come up with another word but I was distracted.

During my 15 years in this place, I have never heard members use such comments. Whether my sister had money in that society - or any other - whether she lost or gained money, is her business. As to the member bringing that up in this place, I am absolutely amazed. It goes to show the type of person he is. Probably he is the bloke who spread the \$30 000 story about Keith Simpson. The heart of the matter is that this Government is responsible for \$119 million being picked up by every man, woman and child in Western Australia. At the same time, the Government is running the advertisements supporting a few people who gained from the operation. The Government is in a most lamentable position. A series of scandals relate to this Government and this scandal is a classic example of how badly the Government manages the finances of this State.

Mr BRADSHAW: I would like to put the record straight regarding the Minister for Police and Emergency Services's comments in relation to Payton Finance. The member for Vasse did not make mention of this company being saved. He referred to the hypocrisy of this Government in that it saved Teachers Credit Society and Rothwells but overlooked Payton Finance, a company which had thousands of small shareholders in the south west. We did not believe, at the time, that it should have been saved but, under the circumstances -

Several members interjected.

Mr Taylor: Here we go - the member for Vasse says it should have been saved.

Mr BRADSHAW: He did not - that is what I am trying to correct. The Minister for Police and Emergency Services is trying to turn the situation around. The member for Vasse was saying that he did not believe that Payton Finance should have been saved but, under the circumstances, when the rules are changed by this Government to save its mates, the other poor people are left alone. The Government now attempts to use as a defence the accusation that the big four are our mates.

Mr Hodge: You are deserting them now.

Mr BRADSHAW: To my knowledge, I have never met any of those characters. I have heard of them. The Government used the same tactics when the Teachers Credit Society fell over. The Government stated that the member for East Melville was saying, "Get your money out of TCS."

Dr Watson: He was.

Mr BRADSHAW: It had been known for six months previously that TCS was in trouble; it was common knowledge up and down the Terrace probably for longer. The Government then brought up the matter of Keith Simpson's withdrawal of money - he was using his brains as it was common sense to do that. It was scandalous the way his name was made public. I do not know whether the big four are our mates or not. Late last year, the former Premier who is now a toff in Belfast -

Mr Marlborough: How can anyone be a toff in Belfast?

Mr BRADSHAW: Well, in Dublin, then. I remember reading about the former Premier going to lunch with Laurie Potter. Whose mate is Laurie Potter? Our mate, or the mate of the former Premier? What about Robert Martin, a mate of Len Brush who happens to be a member of the Labor Party? Look at Peter Tilli. Earlier this year when a tender was called to build a shopping centre and office block at Bunbury on the old railway land, the Minister for The South West overrode a committee which decided on the Kukje-Merrifield development.

Mr P.J. Smith: That is not true.

Mr BRADSHAW: It is true. Do you think that Paul Vukelic would come out and publicly state that, when he was a member of the committee? Is the member saying that Paul Vukelic was lying?

The DEPUTY CHAIRMAN (Mr Thomas): Order! The member for Murray-Wellington is straying from the item concerning the allocation to WA Teachers' Financial Society.

Mr BRADSHAW: I am trying to answer some of the allegations made by the Minister for Police and Emergency Services.

The DEPUTY CHAIRMAN: Irrespective of what the member is doing, he will confine his contribution to item 91. I have been fairly liberal during the debate as to how we determine the rule, and will continue to be, but the member is going a bit far.

Mr BRADSHAW: I am trying to point out that the Minister for Police and Emergency Services was wrong in his allegations. The big four are closer to the Labor Party than to the Liberal Party. Earlier this year, the Minister for The South West awarded a major project to Peter Tilli when it was known he could not pay his debts because of losses in the Teachers Credit Society.

Mr P.J. Smith: That is not true.

Mr BRADSHAW: It is true. It had been in the paper the year before.

Mr P.J. Smith: You are trying to say that the Minister for The South West knew that Tilli could not pay his debts and that he had no financial backing.

Mr BRADSHAW: That is right. The newspapers had previously indicated that he could not pay his debts to the Teachers Credit Society; it was public knowledge. The Minister overrode the committee -

Mr Read: Where was it public knowledge?

Mr BRADSHAW: In *The West Australian* newspaper.

Dr Watson: So it must be true!

Mr BRADSHAW: Of course it is true. The Minister overrode the committee. That action left many contractors in the south west who were not paid.

Points of Order

Mr TAYLOR: Unless my ears deceived me, you, Mr Deputy Chairman, asked the member for Murray-Wellington to address the item that is before the Chamber. In my view his comments have nothing to do with that item.

Mr LIGHTFOOT: I believe that the member is leading up to the matter before the Chair. I am sure, given some latitude which you, Mr Deputy Chairman, have been known to dispense from time to time in this Chamber, that the member will get to the point. I disagree with the Minister for Police and Emergency Services.

Mr BRADSHAW: The Minister for Police and Emergency Services was referring to the big four and said they were friends of ours. I was responding by saying that they are not necessarily friends of ours.

The DEPUTY CHAIRMAN: Order! I thank members and particularly the member for Murchison-Eyre who may discover that mental telepathy is an inefficient means of communication. I uphold the point of order by the Minister for Police and Emergency Services. I had previously asked the member for Murray-Wellington to return to the item. As I said, I have thus far interpreted the rule very leniently, mainly because of the interjections from both sides. However, whatever other activities Mr Tilli may have been engaged in is somewhat irrelevant and becoming less relevant to the item which is an allocation to the WA Teachers Credit Society.

Committee Resumed

Mr BRADSHAW: The interesting thing with this debate is that we have heard nothing from the member for Mitchell or the member for Bunbury about what they have done to try to save Payton Finance.

Mr Taylor: You are a slow learner. You have been told to get back to the point.

Mr BRADSHAW: I will get back to it. The Government knows that its propping up of the Teachers Credit Society has failed the people of Western Australia and the people of Bunbury.

Mr BLAIKIE: The replies by the Minister for Police and Emergency Services to the questions asked were certainly weak. He did not answer the specific questions about the \$25 million allocation in this Budget to the Teachers Credit Society. Serious questions were raised and the Minister failed to answer them. He berated members and came nowhere near the point.

Point of Order

Dr ALEXANDER: I may be incorrect, but the member for Vasse has already spoken twice on this item.

Mr BLAIKIE: No, only once.

Dr ALEXANDER: Is that right? It was worth a try.

Committee Resumed

Mr BLAIKIE: Mr Chairman, is this the last opportunity that I have to speak on this item?

The CHAIRMAN: Yes.

Mr BLAIKIE: I thought I had two more opportunities.

Why is the Government seeking \$25 million of taxpayers' funds to bail out the Teachers Credit Society? The Minister has a responsibility to answer these questions and not treat the Parliament in the cavalier manner that he and his colleagues often do. These comments will be circulated far and wide.

There is an obligation on the member for Mitchell and the member for Bunbury to participate in this debate and to indicate whether they support this year's \$25 million pay out of the Teachers Credit Society. If they do, why did they not help Payton Finance when it found itself in similar circumstances? If the decision to bail out Payton Finance, the Teachers Credit Society or Rothwells Ltd had been mine, I would not have bailed any of them out. However, because the Government bailed out the Teachers Credit Society and its friends at Rothwells Ltd, why does it apply a different set of rules to and ignore Payton Finance?

Mr Chairman, you probably know more than anyone in this Chamber about banking and the need for Governments to be consistent and to treat everybody equally and fairly. The member for Bunbury has an opportunity and an obligation to tell us what actions he took in response to the shoddy treatment handed out to Payton Finance because this Chamber is now being asked to agree to a \$25 million bail out of the Teachers Credit Society. I believe people become mesmerised by the large amounts of money bandied around in this Chamber. A school child asked me today how much the \$150 million that the Leader of the Opposition was talking about really was. I told the child that it would build almost 40 Margaret River hospitals at \$4 million each. I have tried to work out what this \$25 million being allocated to bail out the bungled Teachers Credit Society could be used for. I have picked out a few items. The Agricultural Protection Board pays \$7 million in salaries to 288 employees.

I refer to some of the other organisations involved in this area. The Rural Adjustment and Finance Corporation of Western Australia employs 37 people and their salaries total \$1 million; the Environmental Protection Authority employs 126 people and their salaries total \$3 million; the salaries of the 1 465 people employed by the Department of Conservation and Land Management total \$28 million. The example I am putting to the Government is that on the one hand it bailed out the Teachers Credit Society by using \$25 million of taxpayers' money, but on the other hand it could have employed about 1 200 people for one year with that amount of money. The Government is asking the taxpayers of this State to forgo the employment of 1 200 people.

As far as the capital works program is concerned the \$25 million to which I have referred could have been used to build six new hospitals similar to the new one at Margaret River, the estimated cost of which is \$4 million. If the Government were not bungling around and becoming involved in commercial decisions it could have built six hospitals. That money could have been used to carry out extra work on the Dawesville channel on which the Government proposes to spend \$2 million this year. It could have done 12 times the amount of work this year on the Dawesville channel if it had not used \$25 million of taxpayers' funds to bail out the Teachers Credit Society. The Government is asking the taxpayers and school children of this State to forgo the building of additions to the Margaret River High

School, Busselton High School, Dunsborough Primary School, Cowaramup Primary School, Margaret River Primary School, Karridale Primary School, Augusta Primary School, Dardanup Primary School and the Ardross Primary School. The condition of the Mandurah High School is a disgrace and it will not have any new buildings this year. It would probably have the largest number of transportable buildings of any school in Western Australia. The additions and renovations to the schools I have mentioned will not be undertaken because the Government is using \$25 million to bail out incompetence.

Several members interjected.

Mr BLAIKIE: The member for Darling Range has indicated that the Kalamunda High School will not be attended to this year. I understand that the same applies to the Sorrento school. Are there any other schools that will not receive attention? It is interesting that not one member on the Government side has a school in his or her electorate that needs repair. If they do, they are too frightened to say so.

Mrs Beggs: Sorrento is in my electorate.

Mr BLAIKIE: The Minister for Tourism says that the Sorrento school requires attention.

I turn now to the provision of police stations. A new police station is required at Augusta and Dunsborough. A new police station has been constructed at Capel. We need more policemen, but we will not get them because this Government has spent \$25 million of taxpayers' money bailing out a bungle by TCS.

Mr Lewis: It is only a down payment.

Mr BLAIKIE: I thank the member for East Melville for his comment. It is only a down payment and, as a result, many works that come under the public works budget will not be undertaken. A number of roads will not be upgraded. The Opposition will be interested to learn what next year's down payment will be. In two years \$40 million of taxpayers' money has been used in this fiasco. The Minister for Police and Emergency Services has an obligation to explain the reason for the Government's involving taxpayers' funds.

Mr MASLEN: Members have listened to wide ranging points of view during this debate. The point I wish to raise has not been specifically canvassed. We accept that the Government has bailed out the Teachers Credit Society, for better or for worse, and we accept that it has committed the rest of the community to pay for it. As a director of a small company I am aware of the ramifications of the Companies Act, and of the responsibilities placed on directors. I have not read that the directors of TCS are in gaol pending trial. We have a situation where the directors of TCS have misappropriated people's money of which they were the custodians and they have made a mess of it. I did not envy the Government's decision about whether to bail out TCS. Personally, I would not have bailed out TCS, but I am a financial and political dry. To maintain public credibility this Government should abide by the law of the land and the directors should be gaoled pending trial. Under the Companies Code if a director of my company misappropriated funds, could not pay taxes, or could not meet the auditor's requirements, he would be in serious trouble. I am sure he would be arrested and put on trial for the misappropriation of funds. No-one has previously asked that question and of course no-one has answered it. If the Government wants public credibility it will have to find out who was responsible for the fiasco involving the TCS and those people should be arrested and put on trial in order that people can find out how some of the so-called business people of this country operate. The other day I read in the newspaper that a major company pays one per cent tax - I pay 46 per cent or 47 per cent tax. Members may laugh and say that I am lucky because I earn so much money. All I can say is that I have worked my bloody backside off to do it. I would like to know when the public can expect these people to come to trial for the misappropriation of public funds?

Mr GREIG: The issue I raise about this item relates to the method used and commitment made in the bail out. There would not be a commentator in the land who would not say that the Government failed in its administration of the Building Societies Act in that it allowed the Teachers Credit Society to reach the point where it needed to be rescued. An issue which concerns me has been consistently raised with me by members of the public, some of whom were depositors of TCS. Without question they all felt that it was irresponsible of TCS to offer depositors the full dollar commitment to the interest rate - it is generally recognised at 1.5 per cent above the market rate - and that it should not have given a full guarantee of those funds.

In cases of bankruptcy the creditors - in this case they would be the depositors - ordinarily expect that they may receive something less than their full dollar when it comes to the payout. Large and small depositors in Teachers Credit Society, an organisation which was running outside the fringe of responsibility, happily took the higher rate of interest. Anybody involved in investing, whether in banks or stocks and shares, knows that the higher the interest rate, the higher the risk. In this case, the depositors in the society expected to get a higher return. They also recognised they had a higher risk. As we have pointed out, it is grossly unfair that the taxpayers of the State universally should be required to pick up the funds. The Government has acknowledged an amount of \$119 million. A question has been raised but not answered as to whether that is the total. I ask the Minister to state tonight whether the \$119 million which has been publicly recognised is the total liability, or whether the Government is aware of a liability still to come down the track.

Mr Taylor: You should have been here for the whole debate. Then you would have found out the answer to that question. You can read it in *Hansard*.

Mr GREIG: If I missed that part, I apologise to the Minister. I was called out. An amount of \$18.7 million was spent last year and \$25 million has been allocated for this year. That leaves \$70 million still to be paid. Does that mean that the taxpayers of the State will be required to bear the cost for another three years?

My colleague, the member for Vasse, rightly pointed to a number of areas in which the people of various electorates have been required to go without much needed facilities that would otherwise be available had it not been for this bailout. For example, the Woodlupine Primary School has been overloaded for some years. For about five or six years, it has had eight transportable classrooms. Numerous approaches have been made to change the situation, but the answer has always been given that there is not enough money and that demographic studies have shown that there will not be a need for those eight classrooms in a few years' time. The numbers at the school continue to rise.

There are also problems with school bus services. People are being denied services because of the funds needed for the rescue of Teachers Credit Society depositors. The people in Karragullen and Roleystone transport by car pool something like 50 children a day to Lesmurdie and Kalamunda schools because they are denied bus services. That has been going on for years. A current submission has been filibustered and put off to a committee.

People in Forrestfield have been promised a police station, but no allocation has been made for one in the Budget. An amount of \$25 million is allocated for the WA Teachers' Financial Society Limited, but not one cracker has been allocated for the Forrestfield police station. There is a significant lack of community services in High Wycombe.

Point of Order

Mr TAYLOR: If the member for Darling Range knew the procedure in relation to the Budget, he would be well aware that the matters he has raised have nothing whatsoever to do with the item before the Committee. I suggest that he return to the item.

The CHAIRMAN: I was about to broach the subject. The competent Clerk on my left had reminded me of that. I would expect the member for Darling Range to get back to debate on the item.

Committee Resumed

Mr GREIG: Thank you, Mr Chairman. I was about to conclude my remarks in that area. It just seemed to me that it was relevant to point out the inequity involved in the people of the State being required to contribute approximately \$140 per family to cover the funds of account holders in Teachers Credit Society to the full level of their deposits and with the higher rate of interest. I ask the Minister to address that point and to answer this question: Was it ever considered in the bail out of the Teachers Credit Society that there be in the guarantee something less than the full dollar?

Mr Taylor: No.

Mr GREIG: Time and again it has been put to me that perhaps those people should have been prepared to forgo the interest rate even if they received the full dollar for their deposits. Even the people who had funds deposited in the society recognised that perhaps they should be thankful to get back 80c in the dollar.

Mr P.J. SMITH: The member for Mt Lawley and others asked my opinion about the Teachers Credit Society rescue. I was not able to make a statement at that stage. I fully support the Government in its support of the Teachers Credit Society and the Swan Building Society. The member for Mitchell and I made strong representations to the Treasurer at the time Payton Finance got into trouble. Our request was rejected at that stage for reasons clearly set out in *Hansard* in response to questions asked at the time and in statements that were made. Unlike some of the other major finance companies, Payton Finance has done its very best to repay its debts. The people around Bunbury were very pleased that Payton Finance at least let everyone know what was going on before it got so far into debt that it was not able to repay anything. It has not yet repaid its debts in full, but I know that it is doing its best to repay its debtors in full.

Mr COURT: I make a very brief contribution to consideration of the WA Teachers' Financial Society Limited. Instead of spending a lot of ALP funds boasting about what it has done with the Teachers Credit Society, the Government should hang its head in shame for allowing the society to get to the stage it did. We have had this debate many times in the Chamber, but some people have a bit to answer for with respect to the exercise. The necessary controls were not put into place, particularly after the operations of building societies and credit unions were deregulated, a move which I supported, provided necessary controls were put in place. Those controls were not put in place and we allowed a credit union and a building society to run amok with the Government standing by doing nothing about it. I would like the Minister to tell me the names of the directors of the WA Teachers' Financial Society Limited and what relationship they have to the R & I Bank. Does the Minister have that information there?

Mr Taylor: No.

Mr COURT: Can it be found?

Mr Taylor: I will try to get the information for you.

Mr COURT: I am very interested to know just how this finance society is handling its affairs and whether the R & I Bank will back up its commitments and the liabilities of those people who have accepted the responsibility of being shareholders. I want to know the shareholders of WA Teachers Financial Society Limited.

My other question relates to the total sum; the Minister said that the total payout figure would be \$119 million. Over what time span will that amount be paid?

My last point relates to the exercise the Opposition went through trying to uncover some of the events taking place. The Opposition was on the attack trying to expose the TCS debacle, and members opposite used the cheap tactic of releasing information about the private and confidential financial dealings of the President of the Liberal Party, an action which was not only low, but also very dangerous, because it did a great deal to destroy the confidence that people had in financial institutions. In the case of the President of the Liberal Party the Government went as far as saying where his money was placed. That is the sort of information usually available only in a police state, not in Western Australia. I hope that those sorts of things do not occur in the future. I am aware that the Government was under pressure because it was in the middle of a major mess, but it should not have stooped to the level of making cheap political mileage from exposing private and confidential dealings. A year later an inquiry was held and we finally learnt the truth about who had sought that information. I would appreciate answers to the queries I have raised.

Mr LIGHTFOOT: I refer to the \$120 million required for the rescue of the Teachers Credit Society. It was clearly indicated in December 1986 that TCS was in dire trouble. It was known up and down the length of St George's Terrace and in every financial institution in Australia, and perhaps overseas, that TCS was a Kamikaze lender. It was another manifestation of Government ineptitude, indolence, or just complete disdain, that no action was taken. A few weeks later in January 1987 it became public when the *Sunday Times* printed an article indicating that TCS was in big trouble. When Parliament resumed for the first session in 1987 the then Treasurer, Mr Burke, accused me of causing a run on Teachers Credit Society. It was well known, therefore, at that time and yet the plug was not put in the monetary haemorrhage until later in 1987. It was believed then that the shortfall would be about \$25 million, but subsequently that figure has risen by almost \$100 million more than

that! I look at the situation today and wonder what would the case be if the Government had acted when it should have. What benefits would this State now have? Roads throughout the outback are in such an appalling condition that people are being killed. I refer to the head on collision involving people from the Mt Clere Station a couple of months ago. Tragically two lives were lost; a young boy was killed because a woman had to swerve to the wrong side of the road to avoid the appalling potholes and the exposed rocks. It is beyond the ability of the shires to carry out the necessary work. That money could have been spent in that area or on hospitals throughout the outback; I talk about the outback because I know it so well. The member for Vasse mentioned schools; how many schools could have been built with that money? Where has the money gone and how will it be recouped? I think of the men who took the money and squandered it, and the ineptitude of the management of TCS. I do not intend to refer to that aspect because of the pending court case. The Government should have stopped it in time and now taxpayers will have to fund this again. The tragedy is not just the ineptitude of TCS, but that the Government had the power to stop the haemorrhage of funds 10 months before it did so, and it failed to act. Certain parallels can be drawn with investments this Government is making and the position it is taking with regard to taxpayers' money in this State.

Mr Blaikie: If Churchill were alive today he would probably say that never had so much money been squandered by so few for the benefit of so little that is now going to be paid for by so many.

Mr LIGHTFOOT: Yes, he probably would have said something like that.

Mr Blaikie: This Government, of course, will have that suppressed.

Mr LIGHTFOOT: I do not think the Government will have that suppressed, because the member for Vasse is too voluble, forceful and articulate.

The CHAIRMAN: Order! When the members have finished their little chat, the member for Murchison-Eyre should get back to the subject before the Committee.

Mr LIGHTFOOT: I was deflecting those remarks through you, Mr Chairman.

The CHAIRMAN: They did not come off the cushion to me.

Mr LIGHTFOOT: I can assure you, Mr Chairman, that they will next time. I point out to the Minister that neither the Treasurer, the Deputy Premier nor - at the risk of incurring the wrath of Ministers left in this place - any senior Ministers are in the Chamber tonight. Where will this matter stop and how much it will cost?

Mr WIESE: I am sure this must be one of the most important subjects in the Budget, judging by the number and length of contributions. As no member of the National Party has contributed to the debate at this stage, I thought it would be remiss not to put on the record our views on this matter. I have listened with a great deal of difficulty because of the cacophony from the back benches opposite. I wish some of the remarks made by Government backbenchers had been taken by Hansard or by the Press because I think the public of Western Australia would have found them very interesting in that they revealed the attitude of that section of the Government to this matter. Their comments were disgraceful, and it was disgraceful that we had to listen to them.

On the admission of the Government, at least \$119 million will be required for this rescue operation. It is a very substantial amount of money which could have contributed enormously to the facilities in this State, as has been mentioned by many speakers before me. Therefore, I will not labour the point. However, I feel savage when I think of what could have been done with that money. It would have solved every problem in my electorate, and every member in this Chamber could probably say the same about their electorates. It is most unsatisfactory and it certainly hurts me and the people of this State. I very rarely watch television but whenever I see the advertisement in which people sing the praises of the Government for the great job it did in rescuing TCS, it is like having one's nose rubbed in the mess on the floor. That really hurts and I hope that every person in Western Australia feels the same way about it every time they see that advertisement, because that is what that advertisement does; it rubs the noses of Western Australian people in the mess that this Government has made. We are talking about \$25 million as a down payment on \$119 million. I hope, as previous speakers have said, that we will get some sort of an idea of the time over which that will be paid out. We know that part will be paid next year, part the

year after, and part the year after that. We will bleed at this rate for some time to come yet. That means that the people of Western Australia will miss out for a substantial time on having facilities built in their electorates, districts and towns; this money could have gone well down the road towards providing facilities that they need badly.

There are two real issues. I have touched on one, which was what could have been done with this money were it not for the fact that it must be thrown away and that taxpayers have to pick up the tab for what is really a monumental shambles. That issue has been well and truly canvassed. The other issue, which I believe has not been hammered home hard enough and which should be put on the record as strongly as possible, is that that \$25 million represents a down payment on the gross mismanagement that has occurred in the Teachers Credit Society. That is all that can be said. It is absolutely gross mismanagement when we have to take \$119 million of taxpayers' money to pick up the tab, nothing else.

Mr Blaikie: The important point is that either the contributors to Teachers Credit Society were to lose out or State taxpayers would miss out, which the Government has ensured will happen.

Mr WIESE: We are debating the fact that taxpayers of Western Australia are missing out as a result of that gross mismanagement. The other matter which was not stressed strongly enough in this debate but which has been touched on a couple of times is that the Government's failure to perform its role was a major contributing factor to the figure being \$119 million instead of perhaps \$5 million, \$10 million or, at worst, \$20 million, if the Government had acted when it should have. The warning bells had been sounding, as the member for Murchison-Eyre has said, for a long time prior to the collapse of Teachers Credit Society. There is probably one person who could have moved in and stopped the rot if the Government had acted early enough and that was the registrar. I am absolutely sure that the registrar should have received an instruction from the Government to move in when the first warning bell sounded and look at the books of the Teachers Credit Society to see what was going on and whether the rumours up and down the Terrace were well founded.

The registrar should have moved in at a very early stage, at the first sign of smoke. Had the Government instructed him to do that, and had he done so, we would not now be talking about \$25 million as a down payment on \$119 million but about a substantially smaller amount of money. That was a result of that complete lack of action on the part of the Government, which sat doing nothing. It reminds me of a situation that I am confronted with out on my farm in a year such as this when I see a little puff of smoke. What does one do? Does one sit and wait to see whether it gets a bit bigger, or does one start to do something? In a farming situation when one sees a puff of smoke one takes action immediately to find out where that smoke is coming from and whether there is a fire. If there is, one puts it out.

In this case the Government sat there and saw the first little whiff of smoke. Perhaps it died down a little. It then saw another couple of puffs come up and it still ignored them. It let it go until it was an absolute conflagration and far too late for anyone to act. That is the situation we are talking about here - a Government that sat here, saw the first signs of smoke and failed to act. As a result of that taxpayers will have to pick up the tab. That is the criticism I make on behalf of the National Party. It is a tragedy that this happened and that we have to pick up this amount of money; that all the things that could have been done with \$119 million will not be done because that \$119 million has been frittered away. I hope that the Government has learnt a lesson from this. However, on seeing one or two of the performances that have taken place over the past month or so I have been inclined to wonder whether it has learnt a lesson. I hope that the debate we have had on this item tonight will help to remind the Government that one has to be very careful and has to take much notice when dealing with other people's money and when dealing with taxpayers' funds.

Mr D.L. SMITH: The item in the Budget papers that we are looking at appears under the heading, "Attorney General, Minister for Budget Management, and Corrective Services." As has been mentioned by other speakers, the primary concern of the Opposition seems to relate to item 91, the \$25 million set aside this year for the Teachers Credit Society in addition to the \$18 million set aside in the last financial year. As I have said in this place before, the situation of Governments rescuing financial institutions is not new. One has only to read *The Australian Financial Review* to see that the American regulatory bodies have this year poured something in excess of \$10 billion into rescuing and amalgamating various savings

and building type societies in the southern states of America and especially in Texas. The reason why Governments rescue financial institutions is clear. First, if any financial institution falls over it obviously creates a degree of uncertainty and distrust about other financial institutions and can start a run on those institutions.

Mr Mensaros: Was it the State or Federal Government in America?

Mr D.L. SMITH: The Federal Government. I will come to that in a moment. In the great depression it was largely a run on the banks that created most of the recessionary effect that occurred subsequently. That is because when that kind of panic occurs within an economy and people pull their money back in an attempt to put it in as safe a place as possible then, obviously, economic activity starts to run down and things run quickly into a recession. We all know that the level of State revenue is largely determined by the level of economic activity within the State. As a confirmation of that, one has only to go back to 1983 to see the sorry state of State finances at that time because very few people were in work resulting in payroll tax being down, our share of income tax being down, stamp duty collections being down and other taxes which depended on turnover within the economy were also down. So the taxpayers have a direct financial interest in maintaining the economy in a mobile and active state, and that is one of the reasons why Governments in Australia, America and elsewhere rescue financial institutions.

The second point is that the financial burden of helping out when a financial institution collapses falls largely on the Government because those people who have lost their entire savings and have no other means of support will go to the Government for support in the way of social security and community services. Larger organisations, such as local government bodies, churches and charities, which lose very substantial sums of money have either to go back to their ratepayers or members to try to replenish the money that has been lost, or ask the Government to help them out. Similarly, the businesses which are owed money by those who have deposited their funds in the financial institutions are not able to be repaid, and this leads to the situation where those businesses will start to put off their workers, and if they become completely bankrupt they will become dependent on the State. So there is a snowballing effect whereby the depositors will try to get assistance from the Government in the first place, and when the depositors' creditors start to go to the wall, they also have to go to the Government to get assistance of one kind or another. That places a demand on social security and community services, and also on organisations such as Homeswest. A person who is bankrupt will very quickly become yet another name added to the number of people on the waiting list, which will cause pain to those people already on the list or who may be joining that list for other reasons. There is another reason why I believe Governments should assist financial institutions when they get into trouble.

Mr Mensaros: Selective!

Mr D.L. SMITH: I will come back in a moment to the issue of whether it is selective. In this State this year there will be \$39 million paid in the nature of financial institutions duty by the depositors of the various financial institutions. It can be seen that the total amount raised in that way will be more than is being paid out in these rescue operations. That is similar to the type of insurance that the American financial institutions are required to take out and pay, which is collected by the Federal regulatory body. That fund is used for the purpose of rescuing financial institutions that go to the wall. It is not unjust for the taxpayers, who are taking \$39 million from those depositors of financial institutions across the board, to use some of that money to protect the savings from which that money was drawn.

Mr Court: What was the example you gave in the United States?

Mr D.L. SMITH: In America there is an insurance component which all the financial institutions are required to pay. That is collected by the Federal regulatory body, and that fund is used to service fallouts. The problem in America at the moment, as members will appreciate, is that the Federal reserve fund is just about depleted because of the demands that have been made upon it.

Mr Court: It is depleted.

Mr D.L. SMITH: That is an example, and it can happen in what may be regarded as the best of free enterprise systems - the United States. The Federal reserve fund has been bankrupted because of the demands that have been made upon it in the last year or two.

Mr Lightfoot: When you use the word "bankrupted", you are using a metaphor.

Mr D.L. SMITH: I am using a metaphor. It has been badly depleted.

Mr Court: You know what the problem was there: Once they bailed out a couple of financial institutions, the public took the attitude they were going to keep bailing out everybody.

Mr D.L. SMITH: The problem in America was that a large number of the financial institutions were falling over, and someone needed to get in and amalgamate a few, and wind up those that needed winding up.

As to the question of whether we are being discretionary in terms of the financial institutions that we bail out - as the member for Floreat suggested - the only financial institution which this Government has not bailed out is Payton Finance at Bunbury. That situation has been raised recently by a number of people, but in that case there was no prior warning of the problems of Payton Finance. There was no approach by Payton Finance, or by anyone on its behalf, to the Government prior to Payton Finance making the decision to close its doors. Payton Finance simply announced one day that it was unable to meet its commitments and to pay depositors as funds matured, and for that reason it was going to cease to pay out any moneys and would cease to receive moneys. There was no opportunity for the Government to be involved in a rescue because it closed up, without making an approach to the Government, and once it closed its doors there was no opportunity of maintaining it as an ongoing business, unlike the case with Teachers Credit Society and the Swan Building Society.

Mr Blaikie: When Payton Finance had its problems, the rules were very clear: If you failed in the commercial world, you faced the penalties. But your Government changed the rules for TCS and Rothwells. Why did you not then go back and bail out Payton Finance like you had bailed out your other mates?

Mr D.L. SMITH: Part of the reason - as the member would know - is that Payton Finance has been making regular dividends to its depositors.

Mr Blaikie: Nobody in the south west will believe you. They believe you have different sets of rules for different people.

Mr D.L. SMITH: That is only because the member is saying that, and that is the sort of rumour mongering he is trying to stimulate among people. The situation is quite different. Where a financial institution in a country town, which is run by a partnership of people, closes its doors, stops receiving deposits, and stops paying out to depositors, there is then no business to rescue; there is no opportunity for the Government to get involved at that stage. The other problem is that the Payton Finance situation occurred very early in the piece. I have no doubt at all that if it had occurred now, and given the sorts of ground rules that now apply, the Government would have stepped in.

Mr Blaikie: So you are saying that if the TCS had failed, followed by Rothwells, and you bailed them out, and then Payton Finance failed, you would bail it out also?

Mr D.L. SMITH: I am saying the situation with Payton Finance was different in the sense it closed its doors and appointed receivers, and from that moment the management of its affairs, as required by the legislation, was in the hands of its receivers and committee of management, and there was no proper way in which the Government could come in, except to buy out its portfolio. As has been suggested by the member for Bunbury, both he and I made representations to the Government, but the Government at that time did not think it had a role. One of the reasons was that the size of Payton Finance, relative to the other financial institutions, was quite small; there was no ongoing business to take over; and the total extent of the liability was limited to the total amount of the indebtedness, which was in the order of \$23 million. It was quite obvious from the balance sheet that there were enough assets in Payton Finance for every creditor to eventually be paid 100c in the dollar, and what people would lose in that case was simply the interest which they would have earned had they had that money in an interest bearing deposit up until the time they received 100c in the dollar. Fortunately, payments are being made by the committee of management of Payton Finance.

The argument used by members opposite - that the money being used by the Government to pay out the losses incurred by the TCS could be used for building schools and the

like - arises from a failure to distinguish between the Consolidated Revenue Fund, which is used for recurrent-type expenses, and the General Loan and Capital Works Fund, which is used mainly for capital works. Members opposite also fail to note that if we compare the \$25 million being provided for the TCS this year with the \$154 518 000 brought in under business undertakings, profits and surpluses - which members opposite would do away with if they were in Government - we would not be worrying about what could be built with the \$25 million; we would be worrying about what could be built with \$154 million.

Members opposite are also going round the countryside making promises to reduce stamp duties and payroll tax, and abolish a range of other taxes. All those promises, including the promise that the Opposition will hold increases in revenue to below the CPI, mean that there will be a lot less money under their Government than they complain about - a mere \$25 million. The Opposition will lose \$154 million, and something like \$500 million in revenue, and that \$654 million will not be used to pay the extra teachers, it will not be used to pay the hospital staff. We will get back to the situation where the Opposition, when it was in Government, stopped the construction of necessary hospitals like the Royal Perth north block. We will get back to the situation in Bunbury, where we had no new high schools. Under this Government we have a new high school. There will be no hospital expenditure of any sort in the south west. Under this Government in Margaret River, Augusta, Collie and Manjimup, a total of something like \$20 million has been spent in the last three years on health services in the south west. The Opposition, when in Government, had its last health Budget in 1982-83, and all we had was an outpatients' centre at Warren worth \$154 000, and an outpatients' centre at Ravensthorpe which was worth \$25 000, a total of \$176 000, as against nearly \$20 million.

Several members interjected.

Mr D.L. SMITH: The Opposition, if in Government, would have to find another \$154 million, plus \$500 million in lost revenue before it could start to equal our record if it is to honour all of its promises. We know that under the Liberals all one gets are promises which are never honoured. The people of Bunbury knew that in relation to drainage rates, and they will know it again if ever they have the misfortune to re-elect members opposite to Government.

Mr COURT: I find that last speech quite amazing. We were talking about the Teachers Credit Society and the problems it ran into, and the reason we had to bail it out. If I heard the member correctly he was saying, if an organisation like Payton's, a finance company, got into the same situation today, the Government would bail it out. Is that how I heard the member?

Mr D.L. Smith: I am sorry, I was distracted.

Mr COURT: The member said that if Payton's got into trouble today the Government would bail it out.

Mr D.L. Smith: I said the situation may well be, on the basis of what we have done for others -

Mr COURT: The member is saying that when Payton's got into trouble, the Government was not interested in its problems in the slightest. Why is that different?

Mr D.L. Smith: I said the reason we did not help out Payton's was that it had actually closed its doors and there was no business to be taken over. Payton's was in the hands of the receivers -

Mr Lightfoot: What a lot of rubbish!

Mr D.L. Smith: - and the member for Bunbury and I made a protest to the then Premier.

Mr Clarko: Unsuccessful.

Mr D.L. Smith: The response was, because it had already closed its doors and because most of the creditors would be paid, and because the amount involved was relatively small, it was not thought proper at that time for the Government to assist. If it happened today, I as the local member would have a much stronger case, based on the precedent of what occurred afterwards, for the argument to be raised that it should be assisted. The Government should have assisted then, it should have assisted when Teachers Credit went to the wall, and it should have assisted when Rothwells went.

Mr COURT: The difference is that had the Teachers Credit Society been properly inquired into when it got into trouble, members opposite would have been hauled over the coals for that debacle.

Mr Taylor: Your mates.

Mr COURT: Who was that?

Mr Taylor: Tilli, Turner -

Mr COURT: The Minister must be kidding himself.

Several members interjected.

Mr COURT: I will tell members opposite who will be hauled over the coals - the Minister responsible for administering the credit union and building societies legislation in this State. That is the person who, at the end of the day, is responsible for what took place.

Mr Thomas: Who is that? Whose Act is that?

Mr COURT: What does the member mean? Whose Act was it?

Mr Thomas: Who was responsible for that legislation?

Mr COURT: When I first came to Parliament the legislation was the responsibility of the member for Dianella, and then it came under the responsibility of the Premier. The legislation had plenty of powers for the Minister responsible to make sure that those credit unions and building societies abided by the rules. The Government had full power to go in and investigate what was taking place; to look at the different loans if it wanted to, but the proper safeguards were not in place, and the whole thing was allowed to get into an incredible situation. It is interesting to get on the record tonight what the Government would do if a finance company like Payton's got into trouble today as a result of the precedent set by the Teachers Credit Society. The Government would go in and bail it out.

I can remember the former Premier saying, "Teachers Credit Society and Swan Building Society are the last ones; we will not bail any more out." Who is right?

Mr Lightfoot: The member for Mitchell let the cat out of the bag.

Mr COURT: The former Premier -

A Government member: What about the Premier today?

Mr COURT: I do not know the position of the current Premier.

Mr P.J. Smith: You were interpolating what the member for Mitchell said.

Mr COURT: I was not interpolating anything; I was just saying the former Premier said there would be no more bail outs after the Teachers Credit Society and the Swan Building Society. We now have a situation where apparently if a financial institution gets into trouble the Government will bail it out. It boils down to the fact that at the time Payton's was in trouble, this Government was not interested in what took place. The reason it had to go through with the Teachers Credit Society is because it was covering up its own financial incompetence.

Mr BURKETT: I support the action of the Government in protecting the savings of 60 000 or more depositors of the Teachers Credit Society in Western Australia. Somewhere down the track, probably after the next election, I will have pleasure in telling the member for Nedlands about a 74 year old woman who owns nothing but a little house in his electorate. She was formerly a primary school principal, and she had \$3 246 invested in the Teachers Credit Society. That was put aside for her funeral fund. She has no wealthy family, and regardless of the value of her house, as the member for Nedlands knows, all people are entitled to have a roof over their heads, and she had no savings but that.

Mr Court: Why did you not protect those funds to make sure that the credit union -

Mr BURKETT: We protected those savings, and the member knows that we protected the savings of 60 000 people. That woman said to me -

Mr Court: You put her savings at risk.

Several members interjected.

Mr BURKETT: Members opposite have all said that they would not have rescued the savings of 60 000 small depositors.

Mr Court: Under our Government they would not have had to.

Mr BURKETT: The member for Nedlands is saying that he would not have protected the savings of that 74 year old woman who voted for his father and admitted to me that she voted for him. She admitted she was a great supporter of the Court family.

Mr Court: You put her money at risk. You should be ashamed of it.

Mr BURKETT: We did not put her money at risk.

Mr Court: You put her money at risk.

Mr BURKETT: No, we did not. The people who put her money at risk were Peter Tilli, Laurie Potter, Keith Turner, a former Liberal Party branch president, and Rob Martin. They are the people who put her savings at risk. They are the people, nobody else. Those four people took the savings in this State down blatantly. They were no different from Ned Kelly. The only difference was that Ned Kelly wore armour and went into banks with a gun; they went in with trumped up balance sheets and dishonest advance applications. They rang their mate Alex at 12 o'clock at night and said, "Alex, I want a cheque tomorrow morning for \$3.1 million. Make it out. See you later, mate. I will give you some documentation later. I might not pick it up but someone else will pick it up for me." And that was done, and I tell the Chamber that not one of those people has ever been a member of the Labor Party, nor is a member of the Labor Party; but, by gee, I know that two of them have kicked in very heavily financially to the Liberal Party.

Mr Court interjected.

Mr BURKETT: Of course one can kick in heavily when one is stealing someone's money, someone such as the little old lady in the electorate of Nedlands. The Deputy Leader of the Opposition would have let her \$3 246 funeral fund go down the drain as long as his crooked mates were safe.

Mr Court: We would never have put that money at risk.

Mr BURKETT: Come on! Do not tell lies. The member knows it happened.

Withdrawal of Remark

Mr COURT: Mr Deputy Chairman, could you please ask the member to withdraw the comments about lies?

The DEPUTY CHAIRMAN (Dr Gallop): The member for Scarborough.

Mr BURKETT: I withdraw the comment.

Committee Resumed

Mr BURKETT: Members opposite should not worry about this. We have heard Ann-Marie Heine slammed. As a former National Bank manager, I know a private trading bank could never get into the mess Teachers Credit Society got into. Having worked in the National Bank from the age of 15 until I was thirty one and a half years of age, I still protect the confidentiality of everyone who banked with that bank, and no-one would know that better than the member for Karrinyup, with whom I have had a close association since 1973. I do not support politicians running around and saying, "Keith Simpson drew \$100 000 out; his wife had \$50 000. They knew Teachers Credit Society was on the skids. They did not want their \$100 000 or whatever to go down the tube." And yet the member for Darling Range said, "That is 80c in the dollar. Save their savings but make it hurt a bit, but do not hurt Tilli, Turner, Potter or Martin because they are our mates. Don't you hurt them." I would hope that before this debate is finished we will see tabled in this place the advance applications and the trumped up balance sheets submitted by those four major borrowers who brought about and were the only contributors to the crash of Teachers Credit Society.

Mr Court: Why did you allow them to get to that situation? Why did your Government allow them to get out of control in that way?

Mr BURKETT: I will tell the member what -

Mr Court: Because you didn't have control over the building societies.

Mr BURKETT: Why did the Bank of China in Hong Kong go broke 28 years ago when there was a run on that bank? The Deputy Leader of the Opposition is saying, "Do not talk about Keith Simpson slipping his money out," when every man and his dog knew about it.

Mr Court: What do you mean, "Every man and his dog knew about it"? No one knew about it until your Treasurer came into this House and told them.

Mr BURKETT: Does the Deputy Leader of the Opposition not think he told anybody else within his party about that?

Mr Court: You should be ashamed of yourself!

Mr BURKETT: I am not ashamed of myself. I hope we see tabled in this place the documentation of those advance applications where those borrowers must have lied blatantly. They did not wear the armour that Ned Kelly wore, but they knew what they were doing. They were borrowing money they knew they could never repay.

Mr Court: That is something your Government would know a lot about. It was your responsibility to make sure that credit union was properly administered and you did not accept that responsibility. The person at fault was the Minister responsible.

Mr BURKETT: So when the Deputy Leader of the Opposition's dad was in charge he used to send the Deputy Leader of the Opposition, as a little kid, down to Bunbury Foods and say, "Tricky Dick, go down there on your pushbike, or mum will drive you down, and you have a look, because I think we could burn up \$5 million at Bunbury Foods."

Mr Court: You are pathetic.

Mr BURKETT: I am not pathetic, but the Deputy Leader of the Opposition should wait until he sees that documentation and we will see how he shakes his little head. He might shake it so hard that it drops off because he knows those people lied. They obviously lied when they borrowed money against speculative scrip they knew would never ever - scrip worth 10c and 20c -

Mr Court: Well, why didn't you do something about it?

Mr BURKETT: Were we, the Government, sitting in the boardroom of Teachers Credit Society?

Mr Court: You certainly were. You had every power to be in there and you had every responsibility to do it.

Mr BURKETT: Does the Deputy Leader of the Opposition sit in the boardroom of Westpac?

Mr Court: I will tell you who does, and that is the Reserve Bank of Australia. That bank keeps an eye on Westpac and if Westpac does something wrong -

Mr BURKETT: Did the Reserve Bank of Australia sit in the boardroom of Teachers Credit Society?

Mr Court: No.

Mr BURKETT: The Deputy Leader of the Opposition is the financial wizard.

Mr Court: No, the Treasurer did, because he was playing the role of the Reserve Bank. Don't you understand that?

Mr BURKETT: The Deputy Leader of the Opposition projects himself as a child wizard. If he is such a child wizard, what happened to Court Marine? Did that make a million quid or did he lose money?

Point of Order

Mr BLAIE: Mr Deputy Chairman, I would ask that in your usual punctilious way you indicate whether the member on his feet is speaking to the subject under discussion.

The DEPUTY CHAIRMAN (Dr Gallop): I think we are finding that tonight's debate is ranging far and wide, and in response to an interjection the member for Scarborough did stray a little from the topic. I ask him to stray only marginally before coming back to the central thesis he is developing for us tonight.

Committee Resumed

Mr BURKETT: Thank you very much, Mr Deputy Chairman. I will not talk about Court Marine or the boy wonder.

Mr Court: If you want to be personal about it, go for your life. What do you want to know about Court Marine?

Mr BURKETT: I advise the boy wonder that I do not want to know anything. The Deputy Leader of the Opposition is talking about the Reserve Bank of Australia knowing everything that is happening at every bank.

Mr Court: Oh, you want to get off the subject.

Mr BURKETT: His dad knew everything that was happening with Bunbury Foods and Manjimup Cannery, because -

Mr P.J. Smith: Don't speak about Bunbury Foods.

Mr BURKETT: No, we are not allowed to talk about that because that happened when the Deputy Leader of the Opposition's dad was in control.

Mr Court: Those were the days - those were the days when Governments were honest, there was integrity, the State went ahead.

Mr BURKETT: Those were the days; they were beautiful.

Mr Court: Not like this sort of dishonest, corrupt setup. Old people dream of going back to those days.

The DEPUTY CHAIRMAN: Order!

Mr BURKETT: The allocation under this item is important. I sincerely hope that before too long tabled in this Parliament for every Western Australian to see will be the advance applications of the "big four", the trumped up balance sheets of the "big four", and what they projected the value of their 10c and 20c shares would be. No doubt they listed them, all hoping they would one day be worth the value of Adelaide Steamship Co Ltd shares, and I think that quality share only dropped to \$4 following the October crash. I hope that documentation will be tabled in this Parliament and I have no hesitation in supporting the Government in rescuing the savings of those 60 000 people who banked with Teachers Credit Society, including the 74 year old lady from the Nedlands electorate who rang me. I would be happy at a later date - after I have been re-elected in 1989 - to give the Deputy Leader of the Opposition her name.

The DEPUTY CHAIRMAN (Dr Gallop): Order! The member for Darling Range has 10 minutes.

Mr GREIG: Thank you, Mr Deputy Chairman. In response to that last speech by the member for Scarborough I intend to say a couple of things. It is all very well to give the example of the 74 year old lady in Nedlands. No doubt there were many similar people who had funds in Payton Finance. They got nothing. Simply to use that example and to personalise it in that way is to trivialise the enormity of the mismanagement that has occurred in the last two years in relation to Teachers Credit Society. To then proceed to suggest that in fact it is the "big four" who have been protected by this side of the House and that we were prepared to let the small investors go is the greatest exaggeration that I think I have witnessed in the 12 months that I have been a member of this place.

Mr Troy: You would have supported them, would you?

Mr GREIG: The position of the Government -

Mr Troy: Come on! You would have supported that position, would you?

Mr GREIG: I have quite clearly stated my views on two aspects of the Teachers Credit Society. Firstly, the Teachers Credit Society should never have been allowed to get to the position it was in, and that laxity lies squarely at the feet of the Government; secondly, the people who had funds invested in TCS should not have been guaranteed the full dollar. To then extrapolate across and suggest that we on this side of the Chamber were prepared to let the small investors go while saving the big four because of their irresponsible dealings, which the management of the TCS allowed them to get away with, and that the management

of the TCS was allowed to act in such an unprofessional way by the Government, is tortuous in the extreme. I hope - and this was one part of the speech of the member for Scarborough with which I agree - that all of the dealings of the TCS will be laid bare before the people of Western Australia. That could have been done had a proper inquiry been undertaken by the Government rather than the somewhat constrained inquiry undertaken before the court. However that occurs, I agree with the member for Scarborough - the activities of those people, who really took the management of TCS for the fools they appear to have been, should be fully revealed.

I support the comments made by my colleague, the member for Gascoyne. Those people should currently be awaiting trial. Why are they not? The challenges presented to this Parliament by the member for Scarborough really have to be put in a proper context. It is not good enough to turn around and use the sympathy example he gave of an elderly lady with \$3 000 in TCS - put aside for her funeral - because no doubt there are other people in equally worthy circumstances, old and young, in Payton Finance as well as in TCS. If the Chamber wants a personal example, my eldest son, who is putting himself through college - battling away on his own - had all the funds he had worked for and saved to put himself through college, so that he could say, "I have done it myself", in TCS too.

Mr Pearce: Send him around and we'll put him in an ad.

Mr GREIG: I am sure that if the Government were willing to give him the time on television and let him have his say, he would have his say.

Mr Pearce: You know what he could do - he could give us the money back if he feels it is the right thing to do.

Mr GREIG: The position is clearly one of people's life savings. They put them into TCS and they put them into Payton Finance.

Mr Blaikie: I think the important part is that in spite of what the member for Scarborough said about the lady who had her funds invested in TCS, I could get scores of people in identical circumstances who had their funds in Payton Finance, but they were not eligible for assistance by the Government because the Government at that stage would not assist them anyway.

Mr GREIG: That is precisely right. I thank the member for Vasse for his comment. I do not have all the examples but it is easy to imagine them. It is quite wrong to pursue that emotive argument and suggest that the Government has been holier than thou in rescuing TCS when it is prepared to make one rule for TCS and yet to abandon another society - Payton Finance - while at the same time suggesting that in so doing it has some great attribute it wishes to parade before the people of Western Australia.

Finally, I want to refer - and I refrained from commenting on it until now - to the form of the advertising which is appearing in the papers and on television at the moment. It really is quite pathetic to pick out one particular person. I am rather pleased to see it there because it has resurrected for the people of this State the incompetence of this Government and its cowboy approach to pursuing the proper administration of the Financial Institutions Duty Act and the societies which come within it. I was sad to see the form of exchange that occurred between the member for Scarborough and the Deputy Leader of the Opposition. It was provoked by the member for Scarborough who constantly introduced into his speech the terminology of "you" and personalised the debate in that way. I recall the admonition given by the Speaker a few sitting days ago when he counselled the Chamber to proceed with debate in a different way. I feel that exchange did nothing to enhance the debate before the Chamber.

Mr LEWIS: I would like to make a few comments on this Budget debate. There is a very old saying that one lie begets another and one untruth runs into another. One then gets upon a merry-go-round of untruths, deceptions and half truths. I was on the receiving end of an attack by the former Premier of this State when he claimed that I had deliberately caused a run on the TCS back in March 1987.

Mr Pearce: It was not only the former Premier; it was I.

Mr LEWIS: And you are proud of it, are you?

Mr Pearce: It is absolutely true.

Mr LEWIS: The Leader of the House knew in March 1987 that the Teachers Credit Society was in trouble. Did he not?

Mr Pearce: We found out about your activities later when I started to make an investigation.

Mr LEWIS: The Leader of the House knew about it and what did he do? He came in here and started to vilify the Opposition and accuse us of trying to make a run on a financial institution. Rather than facing up to the truth, the former Premier had to remove the former Minister for Housing from his responsibility for administering that particular Act.

Mr D.L. Smith: Nonsense.

Mr LEWIS: That is a fact. The former Minister for Housing was removed from that responsibility and it was put under the control of the then Premier.

Mr Taylor: Absolute rubbish.

Mr LEWIS: That happened back in November 1986 when the Government first knew about the problems with Teachers Credit Society. The former Premier came into this Parliament and admitted that he had known in December 1986 - and he probably knew when I and other members of the Opposition knew; when every man and his dog on the Terrace knew - that the Teachers Credit Society was in trouble. The banks up and down the Terrace withdrew their lines of credit to the Teachers Credit Society and yet this Government came here and vilified me and other members of the Opposition claiming that we were trying to make a run on the Teachers Credit Society. The facts are that I happened to have spoken with Alex Clark on two occasions about what was going on and Alex Clark spoke to the Premier. Alex Clark then wrote a defamatory letter about me, saying that I was supposed to be making a run, and the Leader of the House came in here and, like the goggle eyes he is, tried to vilify the Opposition as a form of defence.

Mr Pearce: The member for Floreat blushed when you said that; he did not know what you were talking about.

Mr LEWIS: The fact is that the Government has been caught out. For the last two or three months we have listened to a tirade from the member for Scarborough about how our supposed Liberal mates cooked the books.

Mr Burkett: Wait until the books come into Parliament.

Mr LEWIS: I do not give a damn when the books are tabled. The Minister should table them now if he has them. The Government has tabled everyone else's confidential information. Does the Minister deny that?

Mr Burkett: We didn't table the nuts off your car.

Mr LEWIS: Is the member proud of what his party did?

Mr Burkett: You are getting personal.

Mr LEWIS: I am not getting personal at all. I am suggesting that those people took the Teachers Credit Society for \$100 million after everyone knew what was happening; we had the Minister for Housing letting Alex Clark run riot, a Premier who protected him and put Mr Edwards in control of supervising building societies and credit unions. Everyone knew that Edwards had a brief to amalgamate them and that only four could exist.

Mr Burkett: Do you support what the big four did?

Mr LEWIS: No, I do not. Why did the member's Government allow that to happen? Then the Minister comes in and says, "We saved all those poor people's life savings." The Government was so dilatory in its attitude; it did not supervise the situation and allowed the four people to take another \$100 million after everyone knew the society was in severe financial difficulties. Rather than lose \$120 million, or \$130 million, the Government might have been able to contain the figure to \$20 million or even \$15 million.

Mr Burkett: We were being too trusting, not realising that there were Liberal crooks cooking the books.

Mr Bradshaw: This is the latest tactic. Put it onto us again.

Several members interjected.

The DEPUTY CHAIRMAN (Dr Gallop): Order! The member for East Melville will perhaps, during the course of his speech, illustrate ways in which he is introducing new argument rather than repeating points made on a number of occasions tonight.

Mr LEWIS: Thank you, Mr Deputy Chairman. Rather than the Government, through the Leader of the House, attacking members of the Opposition with absolutely fallacious statements, it should acknowledge that it should have been looking at what was going on. Rather than allowing the situation to run for another nine months, and then saying, "What great fellows we are" -

Several members interjected.

Mr LEWIS: Does it hurt? Government members are not proud of what the Government did. They know that. They come in here -

Several members interjected.

Mr LEWIS: The Government should realise that the people of Western Australia know what it did. They know what the Government is doing all the way down the line with its incompetence, dishonesty and maladministration.

A Government member interjected.

Mr LEWIS: The buoyant economy! Go and ask the home buyers how they are getting on.

The DEPUTY CHAIRMAN: Order! The question under debate relates to item 91.

Mr LEWIS: The facts are, Mr Deputy Chairman, that the former Premier did not -

The DEPUTY CHAIRMAN: I think in the heat of debate the member's passion overflowed somewhat on that occasion. I will forgive him, if he returns to item 91.

Mr LEWIS: The facts are -

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Mr LEWIS: Members are wasting their time.

Mr Pearce: It is your time. We are staying here until this section, and the next section, is through.

Mr LEWIS: This Government removed from the appropriate Minister the responsibility of administering the Teachers Credit Society and put it under the wing of Mr Edwards. In his megalomaniac style, Mr Edwards went on and ran up another \$120 million.

Several members interjected.

Point of Order

Mr BLAIKIE: Mr Deputy Chairman, I draw your attention to Standing Order No 149 and ask for a ruling.

The DEPUTY CHAIRMAN: That Standing Order refers to noise during a member's speech. I presume that this Standing Order would also apply to general interjections. The position that the Chair takes is that provided interjections contribute to debate, they are acceptable.

Mr BLAIKIE: I believe that members are entitled to some degree of protection. The cat calling and laughing makes it difficult for the member for East Melville to continue with his point.

The DEPUTY CHAIRMAN: That is not a point of order. Resume your seat. The member for East Melville will continue.

Committee Resumed

Mr LEWIS: I would like to finish -

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Mr LEWIS: - on the matter of the \$5 000 cheque. I have heard, on good authority, that after the existence of the cheque was exposed in this place -

Mr Taylor: Make it up as you go along.

Mr LEWIS: Not at all.

Mr Taylor: Where did it come from? No answers!

Mr LEWIS: When the matter was brought up in this place, the Premier and Government members denied it, said that it could not have happened and that it was not true. Meanwhile the Labor Party wrote a letter to Alex Clark asking him to make a public statement saying that the cheque was a personal one from him to the Labor Party. Deny that!

Mr Pearce: That man has been investigated by the police, and no problem has been found.

Mr LEWIS: A letter was written by the Labor Party asking Mr Clark to publicly declare that the \$5 000 was a personal donation from him and not the teachers. His lawyer said that he would have to be silly to do that because then he would have been seen to have stolen the \$5 000 from TCS, in his name.

Mr D.L. Smith: How do you know what his lawyers said about anything?

Mr LEWIS: How does the member not know?

Several members interjected.

The DEPUTY CHAIRMAN: Order!

Mr Pearce: Let us have the letter.

Mr LEWIS: I might embarrass the Leader of the House.

Mr Pearce: You said you had a letter last week which you would table.

Mr LEWIS: Does the Leader of the House want me to table it? I will bring it in tomorrow.

Mr Pearce: That is what you promised last week. Let's have the Teachers Credit Society's letter tonight.

Mr Blaikie: Do you want the cheque as well?

The DEPUTY CHAIRMAN: Order!

Mr LEWIS: The fact is that there was a letter from the Labor Party to Mr Clark asking him to publicly declare that the \$5 000 was a personal donation.

Mr Pearce: That is untrue.

Mr LEWIS: Legal advice to Mr Clark said that if he did that he would be stealing money from Teachers Credit Society and he would end up in gaol.

Mr Pearce: It is untrue. Produce the letter.

Mr LEWIS: It is not untrue. Was the \$5 000 untrue? The \$5 000 was never a donation; there was never a cosy note - "Thanks for your help; thanks for bailing us out" - costing the State another \$100 million. They are the facts and they will come out at the appropriate time.

Mr D.L. Smith: I thought the appropriate time was during the investigation by the police.

Mr LEWIS: Why not call the police in to investigate it? Why not investigate TCS to see what really happened? The Government is too scared to do anything like that because an investigation might show all the crooked dealings that Governments like this one carry out. I thought it was appropriate that I should once again indicate to the Government how it tries to create diversionary tactics by attempting to impugn my integrity by alleging that I caused a run on the Teachers Credit Society creating a loss of \$100 million which the people of this State could not afford to lose.

Mr TAYLOR: The way the Opposition has tackled this debate is typical of it. Opposition members have wandered in and out and asked me questions which members before them have asked. They have taken no notice of my answers. The Opposition is a ragtime band to say the least. Many members of the Opposition have indicated that they would have helped the Teachers Credit Society and others have indicated they would not have because it should not have paid higher rates of interest than other organisations. They have said they would not have helped Rothwells Ltd but would have helped other organisations. They do not know whether they are coming or going as we have known for a long time.

This debate tonight has indicated the poor showing that the Opposition puts on in this place time and time again. I know people who come to this place to witness the actions of this poor Opposition. The more Western Australians who come to this place particularly at question time and during general debates such as this, the more they will recognise that they do not want this Opposition running the Government.

I have answered the questions in relation to this matter. We are up for \$119 million in total costs of which \$25 million have been allocated in this Budget. As a member of this Government I am proud to be associated with this matter. We have protected the savings of many people such as the person mentioned by the member for Scarborough. That is the right way for Governments to go. This Government is about looking after the small people in the community and it is proud to do it.

Item 92: Western Australian Family Foundation - Contribution to Trust Fund Account -

Mr BRADSHAW: It is good to see in this item that the Labor Party recognises families at long last.

Mr Lewis: It has pinched another of our policies.

Mr BRADSHAW: That is right.

Mr Read: Do you remember families? What is a family?

Mr BRADSHAW: We have a better interpretation of the family than members sitting opposite. They would allow homosexuals to live together in family situations.

I am pleased to see that the Government has recognised the family and put together this glossy brochure which, surprisingly, has that famous photograph on the front page - "infamous" is probably a better term! Basically, it is a marketing exercise which this Government is good at putting together. It includes many schemes that are already in existence, glossed up and made to look better.

Mr Blaikie: Pretty pictures!

Mr BRADSHAW: Yes. The brochure makes it look as though the Government is doing something for the people of Western Australia.

Mr Thomas: Have you applied for any family foundation grants for your constituents?

The DEPUTY CHAIRMAN: Order! The member for Murray-Wellington will continue with his speech.

Mr BRADSHAW: As I said, many things already in existence have been gathered together with a few new strategies included.

Mr P.J. Smith: Where does the money for the family foundation come from?

Mr BRADSHAW: The Government said it has come from the profits of the SGIC. We will have to wait two or three years to find out whether they are profits or funds from the deals it is making now.

I am concerned about the family trust because it includes many long term costs to the community. One of those is the community group buses which are great while they are brand new. However, once they age and need repairs they become a burden on the groups. One group in my home town eventually got rid of a bus because it could not afford to maintain it. The Government has placed these buses throughout the State and it looks good to start with. However, I believe there were better ways of providing transport for these groups. The groups, for example, could hire buses as they require them rather than having them sit for 52 weeks of the year.

Mr D.L. Smith: I hope on Thursday that the local newspaper shows the member for Murray-Wellington opposing buses for community groups. I suppose he also opposes the subsidised taxi scheme for the disabled.

Mr BRADSHAW: I was about to come to that. The disabled section of the brochure indicates that the Government will give subsidies to disabled people to hire taxis. Earlier this year I attended a People with Disabilities annual general meeting at which a disabled person explained that he could not afford to keep his car and he could not use the public transport system.

Mr Taylor: Now we have the subsidised taxis scheme. Do you know about that?

Mr BRADSHAW: That is what I am talking about. That gentleman was battling to maintain his car and to live on a pension. I support the subsidised taxi scheme for disabled people but I cannot imagine them living on their pensions and using taxis. They will not be able to use them often, even with a 50 per cent subsidy, because taxis are expensive.

Mr Thomas: You could use them twice as often with the subsidy than you could without.

Mr BRADSHAW: The member is very smart. As I said, the scheme is a step in the right direction for those people because they need to get out. However, even with a 50 per cent subsidy, taxis will be out of the reach of many of them to use often.

The family centres certainly appear to be a good thing. Currently the Government picks up the tab for the funds used to pay staff working at those centres. It would be interesting to see the Government try to off-load the running of those centres onto local government.

Mr D.L. Smith: Are you supporting them or opposing them?

Mr BRADSHAW: It is quite interesting to consider to which towns the centres were supplied. The first went to Eaton.

Mr Wilson: Wasn't it needed there?

Mr BRADSHAW: I certainly did not hear the people there ask for one.

Mr Wilson: So it wasn't needed.

Mr D.L. Smith: Therefore, it should not have gone there.

Mr BRADSHAW: It is much the same as what happened when the South West Development Authority went out with its shopping list and asked the people what they wanted. It asked whether they wanted a bus service.

Mr Wilson: He is opposed to bus services.

Mr Gordon Hill: Are you opposed to it?

Mr BRADSHAW: Down the track we will find that there will be -

Mr D.L. Smith: Do you support a family centre at Eaton?

Mr BRADSHAW: I think it is a good thing. It is interesting to note where the first four family centres have been built - Eaton, Whitford, Geraldton and Karratha. They all happen to be in Labor held seats. I would have thought that Karratha had a number of buildings that people could use as a family centre.

Mrs Buchanan: It goes to show how much you know.

Mr BRADSHAW: I have visited Karratha a couple of times and I think it is a nice place.

The interesting point is that the brochure titled "Putting Families First" is a glossy brochure and the money spent on it could have been used to provide facilities for family centres or bus services for disabled people. It probably cost as much as \$100 000 to publish the brochure. On 10 August 1988 the editorial in *The West Australian* was headed "Welfare bait", and read as follows -

The Dowding Government has undermined the value of its family welfare initiative with a cynical attempt to divert public attention from the controversy surrounding its business dealings.

The catalogue of new concessions aimed at children, the disadvantaged, the elderly and community groups is certainly comprehensive and seems designed to provide help where it is needed most. With the Government having avoided higher State charges this year, the new measures should help to relieve economic pressures on many low income families in WA.

However, the welfare programme also serves Mr Dowding's electoral interests.

Surprise, surprise! It continues -

The Government can point to its support for the disadvantaged to show that it has not lost touch with ordinary people. And by linking the funding of the initiatives to profits of the SGIC, the Government is brazenly trying to put a compassionate face on the contentious business deals of one of its authorities.

This funding strategy raises an obvious question: is the extent of the Government's family welfare programme to be dependent on the success of its commercial transactions?

What is unclear at this stage is where the money will come from to continue these worthy initiatives, particularly in years where the SGIC's business activities may not have been so profitable.

Mr D.L. Smith: Under your Government there will not be any SGIC activity because you oppose its activities.

Mr BRADSHAW: Down the track we will find out whether the SGIC has made a profit or a loss. There will be long term implications with regard to the way the SGIC has sold its assets. People can sell property at a loss if the person at the end of the line is guaranteed a profit.

Mr D.L. Smith: You are saying that you would continue with revenue increases below the inflation rate.

Mr BRADSHAW: I am talking about the SGIC.

This year the Government introduced the Seniors' Card and it was a real con. Shortly after it was introduced I attended a pensioners' league meeting. It was suggested to senior citizens attending the meeting that they apply for a Seniors' Card and one woman said, without any prompting -

Mr Gordon Hill: Are you opposing the Seniors' Card now?

Mr BRADSHAW: No, I am telling the Chamber about the con the Government tried to put over the senior citizens.

Several members interjected.

Mr BRADSHAW: It is not rubbish.

Several members interjected.

Mr BRADSHAW: It was a con because this Government offered no Government concessions to the people who hold a Seniors' Card. The first thing that the Government offered to people holding a Seniors' Card is what is contained in this booklet.

Mr Gordon Hill: Would you take it away?

Mr BRADSHAW: No, we would not. We were the first to say we would put out a Seniors' Card.

Mr Thomas: You were in Government for eight or nine years; why didn't you do something about it?

Mr BRADSHAW: It has only become an issue in the last few years.

Mr Thomas: People were getting old then.

Mr BRADSHAW: They are getting older now.

As part of its commitment to senior citizens the Government said that it would extend the benefits available to holders of Seniors' Cards and Transperth travel concessions would be introduced this year. It was the first thing that this Government offered to those people with Seniors' Card. Apart from that the Government was asking businesses to contribute by giving concessions.

Mr Thomas: Which a great number of them have done.

Mr BRADSHAW: I know they have because there is a list of them. It was a con job by this Government to make it look as though it was doing something for the senior citizens when, in fact, it was doing nothing.

Mr Read: Do you reckon seniors are being conned?

Mr BRADSHAW: Yes, I do. One of the areas that -

Mr Thomas: Who is the shadow Minister for The Aged.

Mr BRADSHAW: He is in the other House - Hon Phil Pandal.

One item which should be of concern to members is marriage counselling. Over the last few

years the Government has not paid as much attention to this area as it should have. It is an important facet of our lives because of the increasing number of divorces and the consequences arising from them. According to the brochure "Putting Families First", the Government will renew its grants to give tangible support to community and church agencies involved in the important area of marriage counselling. Unfortunately, the Federal Government has dropped its funding and, from what I can gather, this Government has not made a promise to increase funding to this area. It will maintain the level of support it has given in the past. The Government should look at increasing funding in this area.

Mr GREIG: The Budget allocation of \$12 million for the establishment of the Western Australian Family Foundation has, as I understand it, left an elastic range of priorities for the Government. The Government has not spelt out clearly how the \$12 million will be allocated. However, it has indicated that it will proceed with the establishment of a number of family centres and will provide \$2 million in the form of community grants to P & C associations for library facilities, playgroups and other groups promoting social values. The Press has referred to the placement of family centres and *The West Australian*, in the same issue as the editorial to which the member for Murray-Wellington referred, identified that family centres would be constructed in marginal seats which the Government was concerned about losing.

A number of people in the community who are pleased that the family centres are to be set up and will have some support in the form of paid staff have conveyed to me their concern that the centres will not have an emphasis on local management but will perhaps pursue some form of social doctrine of a party political nature. This glossy brochure, "Putting Families First", would probably have cost between \$12 and \$15 per brochure. On page 3 of the brochure we see the heading, "Families First." Those who have spoken with me about the matter have expressed concern about acceptance of the concept of the traditional family unit. On page three it is stated -

Many Western Australian families live in very fortunate circumstances and enjoy a lifestyle that is the envy of the rest of the world.

There is nothing wrong with that. To continue -

The Government is committed to maintaining and enhancing those living standards and maintaining the quality of life for all Western Australians.

There is nothing wrong with that. We come then to the next telling paragraph, which reads -

The family, whatever its composition, is the fundamental unit in our society. No other institution has such importance and responsibility; no other institution is as resilient.

That paragraph has caused concern to people who were otherwise pleased that family centres would be located in their districts. These ordinary people in the community are concerned about recognition of what they regard as units which are not traditional family units. Their definition of a traditional family unit is a husband and wife who are the mother and father of any children in the unit. They are concerned when they hear statements from the Minister for The Family, Hon Kay Hallahan, about "family units, whatever their composition". Such units may well be homosexual family units in which there are two adults of the same gender.

Mr Wilson: Is that an institution?

Mr MacKinnon: That is what you define as a family.

Mr Wilson: Would you call that an institution?

Mr GREIG: I will go over it again for the sake of the Minister. The brochure mentions that Western Australian families live in very fortunate circumstances and that the Government is committed to maintain the institution of the family. It then uses the words, "the family, whatever its composition."

Mr Wilson: If it is an institution, what are you referring to? You must be referring to something that has been instituted.

Mr GREIG: I will start again because obviously the Minister who is interjecting has not quite understood.

Mr Wilson: Do you understand the word "institution"?

Mr GREIG: Yes. Those who have raised the matter with me are concerned about the breakdown in what they regard as the conventional family unit, a husband and wife -

Mr Wilson: But you cannot read that from there because it is referring to an institution.

Mr GREIG: I will proceed, Mr Deputy Chairman. Clearly, I have made the point.

If we turn to page nine of the document and the section headed "Families", we again read the Government's platitudes with respect to its being committed to implementing policies which will give support to all families and strengthen the family unit. Under the heading, "The Importance of the Family", it states -

Families give identity and a sense of belonging to the individuals in them.

Mr Wilson: What is wrong with that?

Mr GREIG: That again is the concern that I wish to put before the Chamber. Some of the groups to which the Government is appealing - for example, playgroups, churches and the like - are concerned that the words do not reflect the actions of the Government in supporting in all of its facets the traditional family unit.

Mr Wilson: There is nothing in there that the churches would object to.

Mr GREIG: Then why is there reference at the beginning of the brochure to "the family, whatever its composition"? The Minister for The Family has talked about families being made up in a variety of ways.

Mr Thomas: Are you suggesting that families consisting of one parent with a child or children should be excluded from family centres?

Mr GREIG: No. Clearly, the people who have spoken to me feel that the Government is not encouraging stable family relationships.

Mr Thomas interjected.

Mr GREIG: Mr Deputy Chairman, I will proceed.

Mr Cash: They do not have the capacity to understand it.

Mr GREIG: There are not enough models of it on that side of the Chamber.

I want to turn to two other matters which are of concern.

Mr Thomas interjected.

Mr GREIG: Mr Deputy Chairman, do I have your protection?

The DEPUTY CHAIRMAN (Dr Gallop): You do have the protection of the Chair, but I remind the member on his feet and several interjectors from the front bench that matters of a personal nature have already been referred to by the Speaker. I intend to continue with his tradition of making sure that we do not reduce parliamentary debate to that level. If the member speaking wishes to encourage interjections, he can continue on that path, but he will also find that there will be intervention from the Chair. The member for Darling Range will continue his comments.

Mr GREIG: Thank you, Mr Deputy Chairman.

An Opposition member: You are doing a good job.

Mr MacKinnon: Keep it up, Bob.

The DEPUTY CHAIRMAN: Order! The Leader of the Opposition just heard the comments I made about the speech being made and also the interjection that he made about certain personal matters from the Government side. I ask him to apologise to the Chair for the crude comment he just passed to the member for Darling Range.

Mr MacKinnon: I do not understand what you are saying.

The DEPUTY CHAIRMAN: You said, "Good on you, Bob" after I had just commented on the level to which the debate was descending.

Points of Order

Mr LIGHTFOOT: I do not believe there is any need for an apology. Personally, I do not think that anyone on this side - or on the other side, if they were truthful - would find the

statement, "Good on you, Bob", a crude remark. I ask the Deputy Chairman to reconsider his direction to the Leader of the Opposition to apologise.

The DEPUTY CHAIRMAN: Only previous to the comment being made by the Leader of the Opposition, I referred to the nature of the debate. I was referring also to the speaker on his feet. I interpreted the comment of the Leader of the Opposition as encouragement to the member for Darling Range to continue on that course. If that was not his intention, he is free to say so now. If it was, I ask him to apologise.

Mr CASH: On the same point of order, quite clearly I am closer to the Leader of the Opposition than you, Mr Deputy Chairman, and I did not hear the words you claim he said.

The DEPUTY CHAIRMAN: There is no point of order. You will resume your seat.

I ask the Leader of the Opposition to apologise to the Chair and we can continue with the debate.

Mr MacKINNON: Mr Deputy Chairman, you asked me to explain the matter to you. I meant no offence to the Chair. You can put on it what interpretation you like, but I was merely complimenting the member on his speech. Parts of the speech may well have caused some concern to some members but all I said was "Good on you, Bob" which I think was an appropriate comment to make. It does not necessarily refer to any part of the speech but to its overall content.

The DEPUTY CHAIRMAN: I am happy with that explanation.

Committee Resumed

Mr GREIG: I return now to the payments being offered to schools and the invitation to members to participate in the presentation of cheques to P & C associations. Prior to receiving that invitation I had read some articles relating to a court of disputed returns in New South Wales, which involved a member who had presented cheques to various bodies just prior to an election. That action was seen to be contrary to the Act, and it struck me as a fairly crude form of political pork barrelling. The letter referred to placed conditions on my participation - and the participation of other members - in the presentation of the cheques to the P & C associations. The Opposition would ordinarily have taken pleasure in such an event but it was made clear that, in doing so, Opposition members would be required to recognise it as part of the Government's social strategy and, by implication, to recognise it as part of the Government's supposed successful economic management. I found it difficult to stomach that at the time, and I was pleased when it was decided to ascertain the legality of such action. My clear understanding is that the schools which will receive between \$500 and \$3 000 for library resources, according to their size, will happily accept the money. They need those paltry amounts, but they will not pledge their votes when compared with the other side of the ledger and the Government's alleged successful economic management, which involves the matters referred to in the previous item.

Similarly, with the other organisations which received an invitation, I have written to all those which would be eligible to make application and advised them to take the opportunity of picking up this amount. I have also pointed out that they should not regard it as manna from heaven but should remember that it was their money - contributed by the taxpayers of this State. I suggested that they should take the money, but should not be eternally grateful to this Government and return it to the Treasury benches. I believe the commonsense of the people of Western Australia will enable them to see through the Government. They will take the money and run, and then vote the Government out of office.

Mr BRADSHAW: Even though there is a need for child care facilities in this State, we must plan ahead with regard to Federal Government funding in that area. On 10 October in *The Australian* Senator Walsh was quoted as saying -

The average cost of keeping a child under two in a community centre, a subsidised community centre, is \$177 a week operating cost and \$20 odd for capital.

"So even somebody paying so-called full fees is getting a subsidy in excess of \$100 a week."

He continued by saying that he would endeavour to make sure that only the truly needy people received subsidies. I agree with that. Those people who are forced into the

workplace from necessity and who need child care facilities should be given subsidies. However, those who can afford to pay the full rate should pay their dues. It has been found that some people are receiving subsidies as a result of not telling the truth; the Federal Government has recognised that and is considering the question of how subsidies will be granted. I believe it is considering the issue of tokens to needy people, who will use those tokens in exchange for subsidies at child care centres. I support that proposal. We need to consider the position of child care centres which will receive subsidies from either the State or Federal Government, or both. If subsidies were withdrawn from all the people who were not entitled to them that could ultimately lead to the child care centres not being utilised. It is important to carefully plan the construction of child care centres.

With regard to the section in the booklet on women, I see nothing wrong with women working.

Dr Lawrence: That is very enlightened of you. Welcome to the twentieth century.

Mr BRADSHAW: I cannot object, because my wife works.

Dr Watson: She probably works at two jobs, one of which is unpaid.

Mr BRADSHAW: That is right.

Point of Order

Mr PEARCE: The Government has been remarkably tolerant in this debate and so have you, Mr Deputy Chairman, in allowing people to wander. In this Committee debate we are discussing the \$12 million allocation to the trust fund for the Western Australian Family Foundation. In the debate on items members deal specifically with the expenditure of funds. The member for Murray-Wellington is rambling his way through a booklet published by the Government about the Family Foundation and the family policies of the Government generally. He is talking about the family centres but they are not paid for from the \$12 million.

Mr Bradshaw: Why is it in this booklet then?

Mr PEARCE: That booklet contains the family policy of the Government. The Opposition has a policy for families which is thick in one way, but which is thin on words. The member for Murray-Wellington should be attending to the allocation of \$12 million, and not to his views on the Government's family policy. It is important that members be held fairly rigidly to the discussion of particular items and not use them to debate hobbyhorses around the general area of discussion.

Mr BRADSHAW: The comments I make are connected with the family trust and I believe I should be allowed to continue in the present vein.

The DEPUTY CHAIRMAN (Dr Gallop): The member for Murray-Wellington may continue his comments. It is difficult to draw the line in matters such as this but I ask members contributing to the debate to make their remarks pertinent to the expenditure items with which the Committee is dealing.

Committee Resumed

Mr BRADSHAW: Generally when comments are made about women in the work force, they refer to professional women. The photograph in this glossy magazine depicts a professional woman. However, many women are in the work force through necessity rather than because they want to be there.

Mr Thomas: Even professional women are probably there from necessity.

Mr BRADSHAW: That could be so, but many women in the work force are performing menial tasks and do not wish to be in the work force. We should consider the position of those who do want to work outside the home. One of the avenues we should be considering relates to income splitting. I return to the matter of family trusts, which I view with much criticism. People are running around throwing cheques around the community -

Mr Thomas: The member for Murray-Wellington said that he was not applying for them and was not suggesting that groups in his electorate should apply.

Mr BRADSHAW: I did not say that. If the money is available they may as well apply for it. I would not discourage any group from applying.

The DEPUTY CHAIRMAN (Dr Gallop): The member for Murray-Wellington would serve himself well by concentrating on his remarks and not on interjections.

Mr BRADSHAW: The community has realised that this is just a vote buying exercise. People can see through these things. It is the same as the Premier having his photograph in every article around the place. There is a throwing around of money like lolly-water or confetti and that is wrong and immoral, and it is time that the Government realised that.

Item 95: Wittenoom Assistance Scheme -

Mr BRADSHAW: The Wittenoom Assistance Scheme seems to have grown dramatically from \$35 000 actual expenditure last year to \$300 000 this year. Is this to do with the relocation of people living in Wittenoom, because there is desire on the part of the Government to close that town because of the asbestos dust flying around, which might be a good idea? However, many locals do not hold the same opinion.

Mr TAYLOR: That money is set aside to effect settlements on the balance of properties purchase of which has been negotiated whether entered into prior to 31 December 1986, and to meet the cost of demolishing various buildings in the current financial year.

Division 24 put and passed.

Divisions 25 and 26: Taxation, \$12 451 000; Valuer General's Office, \$6 912 000 - put and passed.

Division 27: Equal Opportunity Commission, \$1 085 000 -

Mr GREIG: This allocation for the Equal Opportunity Commission provides me with an opportunity to raise a couple of matters of concern about the way in recent years we have come to deal with areas of our society which have been perceived to lack equality for certain groups. One of the elements that seems to have been overlooked in the speeches or publicity and which to some extent has been less effective than I would have hoped - and I hope whoever the Minister responsible is, and I would like to know who it is -

Mr Pearce: I am.

Mr GREIG: What proportion of the time of the six education officers and conciliation officers is it intended will be spent on proactive education and what proportion of time will be spent dealing with issues in dispute? This is an issue, particularly in the area of employment, of interest to the organisation for which I had the honour of working for many years in providing management training courses long before equal opportunity legislation was considered. That organisation was involved in providing training programs for employment officers. The criteria used when employing personnel should always be objectively based and by professional and competent management so that there is never a chance of the best qualified person not getting the job. In other words, good management practices always ensure that there is no discrimination in the employment practice itself. When the Equal Opportunity Commission was established I was involved in cooperative arrangements with Commissioner June Williams to run seminars for employers under the auspices of the Confederation of Industry in an attempt to ensure that people understood clearly that the purpose ought always to be that discrimination does not occur.

The great shame was that many smaller employers felt constantly that the only thing they were being forced to do was adopt quotas and to take people who were less than well qualified for a job. It is that area of education in industry at large that I hope the Leader of the House will be able to elucidate on in relation to how effective it is, what measures are being used to ascertain the effectiveness of that education program and, in particular, what advances have been made in the years since 1984 when the Act was introduced. When one looks at the size of the task and then sees that there are only six officers involved in that process that seems to indicate that the Government is short of funds - and I note that there is a total Budget of \$1 million, just under \$700 000 for personnel, and a relatively small number - 19 personnel - involved. The educative rather than the legislative process will be the measure of success or failure of this initiative while the areas of equal opportunity or discrimination being addressed can cover the question of a persons sex, marital status, pregnancy, race, religious or political convictions in respect of their work, accommodation, education or the provision of essential goods or services. I might say by way of digression that I had occasion the other day to think seriously about whether I ought to approach the

Commissioner for Equal Opportunity about the treatment I received from the Joint House Committee for displaying my political convictions. I have sought not to trivialise that matter, but I found my treatment by the Joint House Committee to be less than equitable in those circumstances.

Mr Thomas: I do not have a "Bob Greig" sign on my car either.

Mr GREIG: I am sure that could be arranged for the member for Welshpool. Some members have been allowed to adorn their cars with bumper stickers, yet I have been discriminated against the other way, and I am still taking advice as to whether I will approach the commissioner about that.

The other aspect I want to mention relates to the enforcement procedures. I would seek from the Minister some information as to the number of complaints that have been brought to the commission and whether statistics are kept on the size of the organisations about which complaints are made - not necessarily the type, although that would be of interest. The information that I received over the years about the impact of the legislation and where the complaints were coming from showed that they tended to be from small organisations, yet the legislation seeks to address, in the form of management plans, organisations which have in excess of 500 employees; organisations with 100 to 500 employees; and organisations with less than 100 employees. My recollection of the areas where disputes occurred is that they seemed - at least on the face of it - to be from organisations where there were only two or three employees, being supervised by the owner of the business, and suffering discrimination in employment, and harassment. Both of those aspects of discrimination which are covered by this legislation seemed to arise in fairly small organisations such as shops and small service businesses. It would seem to me that if the statistics are not being kept according to the size of the organisation, that area ought to be taken up and considered, particularly when one takes into account that the major thrust of this legislation has been directed towards the large organisations. There are a few notable exceptions, which have been made public. One of them concerns the New South Wales Main Roads Department, which is a very large organisation, where an act of discrimination was recorded against the Commissioner for Main Roads.

Large organisations have in the main personnel and recruiting departments which are objective in their recruitment and employment practices, and professional in the way they establish personnel and job profiles and job matching. I was at a meeting last night at which a former Speaker of this Chamber, Hon John Harman, was present. He was talking about a computer software program he had for matching the job profile with a personal profile, and provided both were achieved professionally and objectively, non discriminatory employment practices could almost be guaranteed. It seems to me that if the Government is really keen to ensure there are valid equal opportunities within our community, and there are no discriminatory practices, that would be a useful step to take in terms of measuring the effectiveness of this unit.

Mr PEARCE: Although I am the Minister representing this area for the purpose of the Budget debate, I am not the Minister in charge and I cannot answer the member's questions in any great detail, but to take his points seriatim, the function of education for the Equal Opportunity Commission has been given a greater level of emphasis, although the capacity of the commission to indulge in educative activities will depend on the amount of work it has in other areas because there is a large number of areas requiring consultation, and the officers will attend to that first. In item 3 of the Division there is an increase of \$3 675 for communications, which is largely attributed to the higher activity of the commission in the area of community education. So over the current year we would expect a greater educative activity by the commission, although that is probably only a marginal increase over the level of education that has gone on previously.

It is my understanding that statistics are kept about complaints, which are in considerable detail, although they are not normally released in any specific form because the job of the commissioner is to get matters sorted out and not to publicise them unnecessarily or to try to bring disrepute on a company or individual. I am not sure whether the statistics are compiled according to the size of the organisation. The management plans referred to by the member are management plans made under Commonwealth and not under State legislation. If the member has an interest in this matter, I suggest that a question on notice will elicit what information is available.

Division 27 put and passed.

Division 28: Directorate of Equal Opportunity in Public Employment, \$501 000 - put and passed.

Division 29: Corrective Services, \$80 615 000 -

Mr CASH: The first matter I want to raise relates to the Fremantle Prison riot which occurred in January this year. I would like the Minister to tell me the cost to date of the repairs to Fremantle Prison that will have to be borne by the taxpayers of this State. I would also like an indication of the estimated cost of the trial of those prisoners, which is currently being conducted in Perth. Most members would be aware that for every day the trial continues there is a special escort of the prisoners from the Fremantle Prison to Perth. That escort involves a considerable number of prison officers and police officers. I am sure the public would be interested to know how much that total debacle has cost them. When I say "debacle" I am referring to the cost of the riot, and not necessarily to the trial, although the way in which some of the prisoners have conducted themselves during the period of the trial has left a lot to be desired.

Mr Pearce interjected.

Mr CASH: I have 59 minutes.

Mr Pearce: You wont get an answer, my friend.

Mr CASH: That is entirely up to the Minister. I am going to ask the questions and he can decide in due course, depending on how he feels, whether he wants to give me answers.

Mr Pearce: Just be a little polite.

Mr CASH: The Minister must not ask me to be polite to him, given what he says in this place. It cuts both ways. When he learns that, perhaps I will be polite to him. He should not expect me to favour him until he learns to consider a few other people in this place. I am not asking him to be polite to me.

Mr Pearce: I wont be.

Several members interjected.

The DEPUTY CHAIRMAN: Let us continue with the general debate on Division 29.

Mr CASH: Another matter I want to raise is the imprisonment of Amanda Wilbraham. As members will be aware, she is serving a sentence for the murder of Constable Stannaway at Geraldton some years ago. I think she is serving it in the Greenough Prison, and most members would have been approached by a group formed to assist Amanda Wilbraham in respect of having her released from prison. The person who has written this letter to me has suggested that Amanda Wilbraham is a long term prisoner, and she now has the distinction of being the longest serving woman prisoner in this State. The letter sets out the reason why this person believes that Amanda Wilbraham should be released, and says that Amanda has grown into a lovely, sensitive and caring woman. The letter goes on to say -

Against pressure from Authorities to have an abortion (we would suppose to hush up the scandal of her becoming pregnant, whilst a prisoner), she chose instead to have her child - a beautiful, healthy and innocent baby.

I suggest to you, as our chosen representative, that it is time you spoke up on behalf of this lady.

The letter goes on to say, "What is to be gained from keeping her incarcerated? She cannot be punished any more than she has been already. She is only costing the taxpayer a lot of money. There is now another small life to be considered - that of her baby son."

I want my position in respect of this case clearly known. As far as I am concerned, Amanda Wilbraham was properly convicted of the murder of a police officer. The court quite properly sentenced her to a very long term of imprisonment, and I would be totally opposed to any moves at all in respect of the early release of this prisoner. As far as I am concerned, the victim of the crime is dead, but he still has relatives who were in Geraldton earlier this year or late last year, and I know, from the contact I have had with people close to the family, how they feel about the death of their son and the need to see that that prisoner is kept in prison. All the soft sell, soft soap letters in the world cannot convince me that Amanda

Wilbraham is now a lovely, sensitive and caring woman. They do nothing to change my mind that she should be required to serve the sentence that the court imposed on her. I am sure that I speak for many members of the community who were absolutely appalled at the circumstances surrounding the death of Constable Stannaway in Geraldton some years ago. I am sure that the Police Force in Western Australia would be shattered to think that this Government might be considering the early release of that prisoner.

Another matter concerns the Muirhead inquiry into Aboriginal deaths in custody. It seems that in our Bicentennial year the Federal Government has decided to give the Aboriginal people of Australia some sort of present to try to appease them for certain acts which may have been committed on them many years ago. Firstly, may I say that I think the Federal Government was foolish to attempt to solve the problems of the Aborigines in that way. But the Muirhead Royal Commission has, in my view, run off the rails. This Royal Commission was originally estimated to cost \$2 million. That soon jumped to \$4 million, and the latest estimates put the cost of the Royal Commission at in excess of \$10 million.

Dr Alexander: Where did you get those estimates from?

Mr CASH: A number of articles have been published in respect of the potential cost.

Dr Alexander: Potential! Have you spoken to Mr Justice Muirhead about them? Those estimates are totally inaccurate.

Mr CASH: Would the member be good enough to tell me what he believes the Royal Commission has cost to date?

Dr Alexander: I believe the cost you have noted to date is inaccurate.

Mr CASH: The member cannot have it both ways. I know the hour is late and he is probably looking for an opportunity to make a comment. When I have finished he can get up and speak for as long as he likes. The point is, firstly, that the commission was to have cost \$2 million. Soon after it was set up it was estimated to have cost \$4 million.

Dr Alexander: That is wrong.

Mr CASH: It is now estimated to have cost the taxpayer in excess of \$10 million.

Dr Alexander: Potential cost - you have just said that was the potential cost.

Mr CASH: The member should listen. It has cost \$10 million to date. Does the member know how much it is estimated to have cost?

Dr Alexander: It has certainly not cost \$10 million to date.

Mr CASH: Estimates at the moment put the potential cost of the Muirhead Royal Commission in excess of \$100 million.

Dr Alexander: Whose estimate is that?

Mr CASH: Does that not clearly indicate that the member for Perth lives in Disneyland; he has no understanding of what is going on in the real world? Has he read any of the reports or spoken to the solicitors practising at the commission?

Dr Alexander: I have spoken to the commissioner, Mr Justice Muirhead.

Mr CASH: He has told the member that it has not cost more than \$4 million to date?

Dr Alexander: Correct.

Mr CASH: The member is misleading the House.

Dr Alexander: I think you are.

Mr CASH: That is not accurate information at all.

Mr Gordon Hill: Mr Justice Muirhead has more credibility than you.

Mr CASH: I do not doubt that Mr Justice Muirhead has credibility; I do not question that at all. But I question the comment of the member for Perth who claims that Mr Justice Muirhead has said to him that the Royal Commission has not cost more than \$4 million to date. Absolute rubbish! My friend would believe Mickey Mouse if he told him something. We know the Minister is a halfwit and he does not have to explain himself.

The first reference I have picked up is from the *Sunday Times* of 11 September 1988. Under the heading "Muirhead's money madness" the article says -

Ten million dollars would go a long way to helping a depressed Aboriginal community.

And \$50 million would do marvels for the plight of the whole State population of Aborigines.

Indeed \$120 million would solve all the problems of many of our disadvantaged indigenous people, if it were spent wisely.

Spending any of those amounts in a warped attempt to blame the police for the deaths of more than 30 Aborigines in Australian jails will do nothing for any of them.

The first figure is what the Muirhead Royal Commission was budgeted to cost Australian taxpayers.

That is the figure of \$10 million. It continues -

The second is the cost level the commission just blew through, and the third is the informed estimate of what this national charade will clock up before it is finished.

Mr Lightfoot: So when did Commissioner Muirhead say it would only cost \$4 million?

Dr Alexander: It was about four weeks ago, just about the time the article came out.

Mr CASH: I see. I wonder whether the member for Perth would be good enough to go back and check with Mr Justice Muirhead -

Dr Alexander: Perhaps you should do the same.

Mr CASH: The member is the one who has claimed to have special information from Justice Muirhead.

Mr Marlborough: You said you had spoken to the lawyers.

Mr CASH: Indeed, I did speak to some of the lawyers practising at the Royal Commission, and they said to me that they believe costs at the moment exceed \$10 million. Let us not forget that they have considered only one case to date - I think they are now onto their second case. Before they have completed all the investigations into the Aboriginal deaths in custody - and let us not forget that they increase on a regular basis - they believe that the costs of that Royal Commission will exceed \$100 million. I am prepared to accept the word of those people, without question.

Apart from the cost - and I very much support the view that if we are to spend \$100 million on this Royal Commission perhaps in hindsight there would have been better and more effective ways of spending that sort of money on our indigenous people in Australia - it does seem if one reads some of the publications that have attempted to investigate the reasons for black deaths in custody that the copycat syndrome is one of the factors affecting Aboriginal people. I was interested to read this morning in *The West Australian* under the banner headline "Blacks imitate deaths: lawyer" that one of our leading Perth lawyers, a distinguished criminal lawyer named John Quigley, who is representing the Western Australian Prison Officers Union and the Western Australian Police Union at the Muirhead Royal Commission, believes that copycat syndrome was adding to the problem of black deaths in custody. In that article in this morning's newspaper John Quigley gave a number of examples of where intense media publicity of a death in custody had in his view, and certainly in the view of others, caused the awareness level of the Aboriginal people to be raised, and there is a clear set of circumstances and evidence which tend to suggest that other suicides in custody have been generated by the media publicity. I want to confirm that, like John Quigley, I certainly do not blame the media for publishing the information about black deaths in custody - obviously it is of public interest and should be published at all costs - but certainly some sort of cult appears to be being established within the Aboriginal population which tends to override all manner of reason and we can see that copycat situation coming through.

It is also interesting to note that in Western Australia we have almost one hanging a week. Admittedly not all those persons commit suicide or hang themselves while in police custody or within a prison system, but the evidence is that, in the main, men aged between 40 and 45 years do commit suicide at the rate of almost one a week. That in itself is a very interesting statistic and one that needs to be highlighted, because while it is convenient at times for us to

publicise the facts surrounding a black death in custody, I am reminded of the situation that occurred in Geraldton on the day Edward Cameron was found dead in his cell. On that same day I understand that a young lady from Geraldton committed suicide in very tragic circumstances. I recall that the publicity given to that white death, unfortunate as it was, probably was only two or three square inches in the paper, compared with the very intense coverage given to the death of Edward Cameron, an Aboriginal. Whether that says anything about the way the whole system has been blown out of control, I do not know; as far as I am concerned each death was as serious as the other.

As far as gaol suicides go, it would appear from the evidence that the suicide rate is the same for blacks as it is for whites. That has been highlighted by Professor Richard Harding, a person often quoted by this Labor Government for one reason or another, and a person who, I understand, is at the moment head of a crime commission at the University of Western Australia. In *The Australian* newspaper of 14 April, in an article headed "Jail suicide rate 'same for blacks as whites'" he told the Muirhead Commission -

... that its investigation of Aboriginal deaths in custody was hiding a much larger suicide problem that had swept all parts of the prison system.

The suicide rate among whites within prisons was virtually identical to that of Aborigines, he said.

"This rate, when controlled for age and sex, is between five and six times greater than for the general population," Professor Harding told a Perth seminar ...

"At any rate, as far as prisons are concerned, it is blinkered to look at the situation only in so far as it affects Aborigines," he said.

I support that point of view, and in doing so I return to my earlier comment: To think that we as Australian taxpayers will have to fund a situation where \$100 million of taxpayers' money is spent trying to assess not necessarily the reasons for the deaths but whether there was any improper involvement of other persons in those deaths is, in today's society - a society in which this Government tells us it is short of money and cannot provide funds for various other social needs - an absolute scandal and a decision that in hindsight would probably not have been made by the Federal Government if it had realised that it would blow out to such a huge financial commitment. I wonder whether the Aboriginal people themselves believe they are receiving value for money, considering the huge amounts being spent. It seems to me that some extremist groups might be using the Royal Commission to try to get their message across or wave their flag. At times I wonder whether the flag that some of those groups is waving is one interested in justice for all, or sometimes only interested in pushing their own barrow.

A number of very interesting articles have been written by a well known person who was involved in the north west for many years - Dr Ian Hunter. He was certainly very knowledgeable of the Aboriginal problem. If one reads his articles one sees that he also suggests a cult could be developing within the Aboriginal population; and again, his articles tend to confirm the copycat syndrome we are seeing at the moment in relation to black deaths in custody. Just recently there was another death in custody, and I hope that by publicising the fact that this copycat syndrome seems to be affecting the Aboriginal community, young Aboriginal people may be convinced to think twice before they attempt to take their own lives within the prison system in Western Australia.

Mr PEARCE: In response to the member's questions, the Budget allows for an amount of \$1 230 000 for the repair and renovation of Fremantle prison as a consequence of the fire and riot. That is mostly covered by item 6, which is to do with the maintenance of plant and equipment; that clearly is a very large one off cost for an amount which is necessary for the repair and renovation of Fremantle prison as a consequence of the riot. I am not sure of the point made by the member for Mt Lawley in respect of the riot, because the Government could hardly be held to be responsible for that. I suppose one could say that the Government is responsible for bringing to trial the people responsible for causing the damage and the riot. They are currently before the courts, but some of them are very dangerous people and the extensive security precautions which are noticeable in the Terrace every morning when the court is sitting -

Mr Cash: Have you read the McGiven report on the Fremantle riot?

Mr PEARCE: No.

Mr Cash: Then it is unlikely that you would understand whether the Government was blamed in some respects or not.

Mr PEARCE: The McGiven report on the riot was discussed by Cabinet. I am not the Minister in charge of this area but it is not my understanding that the McGiven report suggested the Government was responsible for the riot. The Government did not organise the riot -

Mr Cash: There was a shared responsibility, as you would know.

Mr PEARCE: I think what the McGiven report had to say about Fremantle prison - I am saying this not from my reading of the report, but from memory of Cabinet discussions - was that Fremantle was an outmoded facility in terms of gaols. Where does the responsibility for that lie? When we came into Government we moved towards the establishment of a prison to replace Fremantle prison. The Liberal Party was in power for many years and was in a position to replace Fremantle prison, but never did it. If the member is ascribing blame at that level, that is something we can all do. The fact is that the riot occurred; it was a most unfortunate event, not the least because a number of prison officers were in fear of their lives throughout the course of it. The matter was handled expeditiously by those responsible in the Department of Corrections for controlling it, and now all the people involved are before the courts. I am not able to quantify from the Budget papers the cost of the court action and the security involved because much of it does not come under the Department of Corrections but is expenditure run up in the normal way under the Police Department because that is the provider of the security escort. Much of the other work is done in the normal course of events by people whose salaries appear under item 1 in the corrective services area. If the member is interested in that, I suggest he puts a question on notice and the Minister will reply to it.

The member for Mt Lawley raised the case of Amanda Wilbraham, which has been before the public in recent times. The Government's view of that is that this young lady - and I hope what the member said about her growth and maturity is accurate - committed a very serious offence in the murder of a policeman. As a result of that she was sentenced to gaol. Her case has been considered on a number of occasions, but the consideration of that was somewhat complicated by the pregnancy to which the member referred. I am sure that her case will be considered again in the future to see what should happen. However, it is a difficult and awkward case from all points of view, and I think that was reflected in the ambivalent comments of the member on that issue. Most members of the community would share that ambivalence. She did an awful thing and one must feel for the relatives of the young constable who was shot down, but at the same time I suppose one has to look to the future with regard to that young lady and decide what ought to be done. However, the Government is not proposing to make that -

Mr Cash: I was not making representation to have her released. I was actually making representation to keep her locked up.

Mr PEARCE: That was not at all clear from the member's comments.

Mr Cash: Let me make it very clear: I am totally opposed to any attempt to release that woman.

Mr PEARCE: The Government has not released her so we are at one about that. I am not quite sure why the member raised this matter, but at the beginning of his comments about Ms Wilbraham, the member did, I thought, indicate some sympathy for her.

Mr Cash: I was reading from a bleeding heart letter, but I made the point that there was no way I would ever support the early release of that woman.

Mr PEARCE: All right. The last matter to which the member referred was in relation to the Muirhead Royal Commission. I think the interjections of the member for Perth were fairly compelling with regard to that. Again, we face a difficult community situation; huge sums of money quite clearly are involved in the Muirhead Royal Commission and I think the member for Mt Lawley excelled himself in overemphasising what the possibilities are likely to be on this occasion. Equally, I think there is nothing which is more a blot on the civilised nature of our society than the Aboriginal deaths in custody at present. It is a matter of despair to me

and to Ministers generally that despite the efforts to tackle this problem, deaths in custody continue to occur at an appallingly frequent rate. I think that is a matter all members should be concerned about and that all members should be supportive of the efforts of the Muirhead Royal Commission and the State and Federal Governments to resolve that problem.

Item 2: Other Staffing Costs -

Mr CASH: There is a significant increase in item 2, which refers to other staffing costs under the heading of "Central Administration". Would the Minister advise just what that increase comprises?

Mr PEARCE: The increased allocation is represented by the following main factors - additional provision for workers' compensation insurance, \$235 000; uniforms allocation, which was increased due to outstanding commitments to eagle jackets incurred during 1987-88, \$441 000; increased costs associated with Casuarina Prison, \$318 000; provision for cost escalation, \$52 000; other increases including travel expenses, staff training, fringe benefits tax and various subsidies, \$358 220; and travel costs transferred to items 9 and 10 to allow for community based corrections and the offender development programs, minus \$177 000. That is a reduction.

Item 9: Community Based Corrections -

Item 10: Offender Development Programs -

Mr CASH: Items 9 refers to community based correction programs. There is a substantial increase on last year. This year it is now estimated to cost \$861 000. Would the Minister explain what that is all about? Item 10 is a new item and has an amount of \$862 000 against it. What is that particular program all about?

Mr PEARCE: There is an increase of \$305 221 in item 9. The increased provision reflects the establishment of regional centres to carry out community service orders imposed on offenders as an alternative to imprisonment for minor offences, \$120 000; and the transfer of funds from items 2 to 6 is to establish a proper cost and budgeting base for this project, \$180 000. Expenditure under this item mainly provides for travel, parole board fees, bail, hostel expenses, pre-sentence report expenses, tools for the community service order scheme, sustenance money for offenders on probation or parole, and provision for the volunteer support service for probationers and parolees.

Item 10 is a new item. The allocation of \$862 000 is attributable to the following main factors - flow on cost of growth of service initiatives in 1987-88 for the driver training program, \$89 000; transfer of funds from items 2 to 6 to establish a proper cost and budgeting base for this program, \$517 000; provision for growth approved in 1988-89, \$211 000; and other contingency costs, \$45 000. The objective of the offender development program is to enable and encourage offenders to develop the work and other skills necessary to participate as constructive members of the community.

Division 29 put and passed.

Division 30: Community Services, \$101 424 000 -

Mr BRADSHAW: This vote has been increased by about 12 per cent this year. Community services is a controversial area which does not receive very much publicity. As shadow Minister for Community Services I find that many people come to me for various reasons, including when they have been wrongly accused of assaulting their children. This is a difficult situation where it is hard to work out who is right and who is wrong. I have sympathy for people who work in the community services area because people do not usually wish to admit that they treat their children badly. An organisation has been formed by parents who believe they have been wrongly accused in this way. Difficulties also are faced by people dealing with delinquent children who vandalise property or commit break and enter offences. Again, workers in this area have the unenviable task of working out the best way to deal with the problem. A couple of years ago, a mother contacted me when her son had been in trouble on several occasions, the last of which involved his breaking and entering a store in Mandurah and stealing goods to the value of \$5 000 or \$6 000. The mother was concerned because her son went to court, pleaded guilty, and then walked away without any deterrent. He was not committed to an institution or fined. She was also upset because no assistance was offered by the department to rehabilitate her son.

Another area of concern to me is women in the work force. I realise that many women need to work and others do not. A system of income splitting should be introduced to provide the incentive for these women to stay at home if they wish. If women wish to go out to work, they should have that right. Income splitting would ease the tax burden on husbands. Such a system would make the family unit stronger - the wife would be able to stay at home and look after the family. Children should not return from school to an empty house - one parent should be home to greet them. At the moment both parents seem to be out working.

Mr Marlborough: What about single parents?

Mr BRADSHAW: That is a good question. More effort should be made to keep couples together where possible. Obviously, in some circumstances, people split up. To be quite honest, I do not know what to do with single parents. They have the opportunity to stay at home and receive a single parent's pension. They also receive support in other ways.

Mr D.L. Smith: What about the situation where the wife is working; she has no children and her husband is not working? Would you allow her to split her income?

Mr BRADSHAW: That would be debatable. It would be very hard to discriminate, in those circumstances. I guess the income should be split. The system could provide for income splitting if children are involved.

The ageing population of Australia is creating a burden on taxpayers as we spend funds on nursing homes and hostel care. A few years ago, people were encouraged to build granny flats for their parents. These days no incentives exist in that area. The home and community care program has been established and plays an important role in keeping elderly people in their own homes. However, incentives should be offered to people to build granny flats if they wish to do so.

Mr D.L. Smith: Does Homeswest provide assistance?

Mr Wilson: Yes, it does.

Mr BRADSHAW: That is good to hear. That is probably on the basis that people on a certain income can apply for assistance. The talking book library was a controversial area last year when the Government decided to drop the \$50 000 grant. After an outcry, the Government did a swifty and allocated \$50 000 to the association after taking that amount away from the library allocation. I am glad to note that \$70 000 has been allocated to this area. Has that amount been taken from the library allocation, or is it from some other area?

How do we deal with delinquents around Western Australia? One concept has been put forward by Teen Challenge at Gingin, a group of people which has decided to help the youth of this State. They certainly have a great record in attempting to rehabilitate those young people back onto the straight and narrow and off the drugs. I was impressed with their attitude when I visited them earlier this year. They were prepared to put a lot of time into helping those young people. I admit they tend to take only those who are prepared to help themselves. If somebody went there and said that they were not interested in being rehabilitated -

The CHAIRMAN: Order! The background noise is too loud. I am listening to the member for Murray-Wellington. If members do not wish to listen to him they should go outside.

Mr BRADSHAW: The Department for Community Services has a similar facility called Warrmia. It was a farm and is now being used to help disadvantaged children and to provide work experience for juveniles who are offenders. That farm is not used as much as it should be and, from what I can gather, a good program has not been set for the manager of the farm. In answer to a question from me, the Minister said that a plan has been set. However, I have heard the farm is not being run as well as it should be and is not being used by the department as much as it should be. I believe that those juvenile offenders could gain many benefits from being taken away from the environment in which they offended and being encouraged to improve their self esteem. This farm could give them a new outlook on life. It is preferable to place them in these sorts of facilities than in institutionalised environments where they mix with other offenders and are egged on to become habitual criminals. I would like the Government to put a lot more effort into straightening out these young offenders so that they will have a better chance in life. Many of them come from broken homes and know nothing better.

Mrs BEGGS: The member raised specific issues about which I have no knowledge. However, I am sure the Minister for Community Services will be able to give him the information that he requires.

There has been an increase in the Department for Community Services budget of about 12 per cent, as the member pointed out. He raised general concerns about the family, youth and the aged. I believe this Budget is targeted particularly at those areas. It is a good Budget which addresses many of the problems that families particularly face at this time when the pressures have become extremely burdensome. There have been large increases in the allocations to non government agencies because the community has indicated to the Minister and to the department that it has to take some responsibility for many of the problems that it experiences from time to time. The Government has established family centres and youth drop in centres where these problems will be addressed, not in some centralised agency. It is proposed that the community should participate in resolving many of the social problems that are being experienced and the community has clearly stated to the Government that it wants to share in that responsibility and address the issues in a sensible way.

Item 5: Youth Services -

Mr BRADSHAW: There has been a dramatic increase in this allocation from \$3.3 million to \$6 million. What will the extra money be spent on?

Mrs BEGGS: This represents an 82.2 per cent increase on expenditure for 1987-88. A big percentage of the increase is to do with a youth package, the details of which are yet to be announced. That will be managed by the Youth Affairs Bureau. An amount of \$1 099 000 has been allocated to the kids in crime initiative package which was announced in May this year. An important allocation of \$100 000 will enable the department to respond to calls for assistance from families that are experiencing parent-teenage conflict. While that is a small allocation, it is a very significant program that will be implemented this financial year. It will be of great benefit to parents who do not understand some of the problems of youth today and will give them the ability to prevent many of the ongoing problems which result from parent-teenage conflict when children leave home or where the relationship deteriorates to such extent that the Department for Community Services has to take action.

Item 7: Financial and Material Assistance -

Mr BRADSHAW: The allocation for 1987-88 totalled \$6 million; \$7 million was spent. The amount allocated this year is \$5.3 million. The item covers people who approach the department just to get by. The department has now cut back the allocation even though it was overspent last year. Under what circumstances has it been cut back?

Mrs BEGGS: This decrease actually recognises the revised guidelines for assistance introduced in January this year. In most areas funding has remained at that initially allocated for 1987-88.

Mr CASH: Will the Minister advise me of the criteria used to assess people for financial and material assistance? I have sent a number of people to the department who were obviously in need but who did not satisfy the criteria set by the department. At other times I have sent people who have told me that they managed to get the handout, if I may use that term, having very few of the qualifications. I have always been confused about the criteria used for such assistance.

Mrs BEGGS: I do not know what the exact criteria are but I am sure the Minister or the department will provide the member with that information.

Item 8: Regional Services -

Mr BRADSHAW: A minimal increase of \$100 000 has been allocated to this item this financial year. The total estimated expenditure is \$4 780 000, while last year it was \$4 650 502. Has the increase taken into account the normal CPI increase?

Mrs BEGGS: Yes, it actually represents a 4.85 per cent increase in line with the CPI movement.

Item 9: Non-Government Agency Support -

Mr BRADSHAW: I referred earlier to the Teen Challenge initiative, with which I am very impressed. To be honest, I am not sure whether it received an allocation from the State Government. The Minister may indicate whether it has.

I am glad there has been a fairly large increase in this allocation. Many of the non-Government agencies believe they do a much better job than Government community services. I guess that is open to debate. At least the non-Government agencies make sure the dollar goes further and much of their work is carried out by volunteers. Organisations such as the Salvation Army do a fantastic job in our community and they deserve a great deal of support. They look after not only people who are shunned by others, but also homeless men, women and children. We have to provide support for those people. It is unfortunate that we have such people in our community, but it is a fact of life. Over the last few years poverty in Australia has increased dramatically and, as a result, the number of homeless people has increased. I gather that is where much of the non-Government agency support is levelled.

Mr WIESE: It was recently announced that three women's refuges will be established in the north west. I appreciate there is a need for refuges in the north west; in fact, the need is State wide. In my electorate we are very lucky to have a women's refuge in Narrogin; it operates on a shoestring, but it performs efficiently. Narrogin is a regional centre and the women's refuge services an area of probably 150 kilometres radius - to Lake Grace, Kulin, Darkan and Kojonup. The problem in Narrogin is that the refuge occupies rental accommodation, and at any stage it is likely to have to move out of that accommodation. The house is up for sale and the refuge has no long term security in the building. On several occasions the Narrogin women's refuge has advised the department of the need for it to have a permanent home. Is it the general practice of the Government to provide refuges with buildings, or a base, from which they can operate - a base which cannot be taken from them in three or six months' time or at the whim of a landlord? In view of the situation at Narrogin and because the refuge has a high occupancy rate on a day to day basis I ask the Minister to give it her consideration. I was amazed to discover the occupancy rate at the Narrogin refuge. A permanent home is needed because it is the only refuge between Albany and Bunbury - I am not sure whether Bunbury actually has a refuge.

Mrs BEGGS: I cannot talk about the specific issue of Narrogin, but I will raise it with the Minister. Women's refuges are funded under the supported accommodation assistance program which is a joint Commonwealth and State program with the objective of providing support and accommodation for homeless people and people in crisis. It is an excellent program, and 88 services are funded throughout the State - 66 in the metropolitan area and 22 in country regions. The program, on average, accommodates 950 men, women and children on any given night. From memory, there has always been a need to establish these places in a permanent residence where the services they provide will not be disrupted. Of course, it depends on the funds available; many community groups which cannot obtain the funds for their own building are quite happy to have the service implemented through rental accommodation until such time as funds are available for a permanent home. As to the problems in Narrogin, where the service can be disrupted because the accommodation that is available can be taken away at any time, I will refer the matter to the Minister so it can be given consideration in the future when funds are being distributed.

Mr WILSON: The member for Murray-Wellington referred to the Teen Challenge initiative. I am pleased to advise him that I have had considerable contact with Pastor Malcolm Smith who is the director of Teen Challenge of Western Australia. I have discussed with him the operation of that program in this State. On Sunday I handed him a grant of \$50 000 to enable that program to establish a treatment centre for young women at Gingin. Up to a further \$50 000 will be made available to Teen Challenge to allow it to refurbish a property in Perth so that it can establish a half way house which is needed to enable it to conduct a comprehensive rehabilitation program for young drug addicts in Western Australia.

Division 30 put and passed.

Progress

Progress reported and leave given to sit again, on motion by Mr Pearce (Leader of the House).

House adjourned at 12.30 am (Wednesday)

QUESTIONS ON NOTICE

FISHING - CRAYFISH INDUSTRY

State Control - Foreign Investment Review Board, Licensing Referrals

1322. Mr CASH to the Minister for Fisheries:

As he has stated that he will ensure control of the rock lobster industry will remain in Western Australian hands, is the Government prepared to advise the Foreign Investment Review Board that all future referrals to the FIRB for approval to purchase rock lobster processing licences by foreign investors be referred to the Western Australian Government and that the Government will consult with industry on such referrals?

Mr GRILL replied:

The Commonwealth is prepared to refer proposals, subject to Foreign Investment Review Board approval, to the State Government where appropriate. I have sought the assistance of the Federal Treasurer for such an arrangement to be put in place for proposals involving the rock lobster industry. The State Government will continue to consult with the industry on such matters.

INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

Construction Costs - Non Recourse Finance

1581. Mr MENSAROS to the Minister for Economic Development and Trade:

- (1) In view of his and the Deputy Premier's statements that 100 per cent of the construction cost of the PICL petrochemical project will be financed from borrowings on a non recourse basis, can he give an absolute undertaking that neither the Government nor any of its instrumentalities or agencies will under any circumstances directly or indirectly assist the project should it fail to honour any of its obligations connected with the conditions of the loan agreement with the financiers?
- (2) Could he also categorically state that the non recourse finance means that no Government, governmental agency or Bond Corporation guarantee is involved?

Mr PARKER replied:

See answer to question 1526.

ROTHWELLS LTD - GUARANTEE

Release - Government Liability

1587. Mr HASSELL to the Treasurer:

- (1) Has the Rothwells guarantee been released?
- (2) If not, when will it be released?
- (3) Has the Government -
 - (a) made any payment whatsoever under the guarantee;
 - (b) given any security additional to the guarantee; and
 - (c) given any security in place of the guarantee?
- (4) Does the State have any residual or remaining liability whatsoever in respect of the guarantee, or will it when the guarantee is released?
- (5) What fees -
 - (a) have been paid; and
 - (b) remain to be paid
 in respect of the provision of the guarantee?

Mr PETER DOWDING replied:

- (1) The facility under which the indemnity was given has been repaid and retired.
- (2) Not applicable.
- (3) No.
- (4) See answer to (1).
- (5) A fee of \$2 622 150.66 has been paid to the Government.

INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT
Non Recourse Finance - Government Liability

1589. Mr HASSELL to the Minister for Economic Development and Trade:

- (1) Under the proposed non recourse financing arrangements for the petrochemical plant, will there be any circumstances in which -
 - (a) the State;
 - (b) the SEC; and
 - (c) any other State agency or instrumentality
 will be liable for any payment, contribution, construction, guarantee or action beyond its liability as a mere shareholder in the limited liability company Petrochemical Industries Company Limited?
- (2) If so, what liability has been or will be undertaken?
- (3) If arrangements have not been made, will he confirm that the Government's announced commitment in respect of the plant is that no such liability will be undertaken?

Mr PARKER replied:

See answer to question 1526.

BUSINESS - SMALL BUSINESS
Family Trust - Six Day Week Trading Restrictions

1592. Mr COURT to the Minister for Labour:

- (1) Is the Government aware that many small businesses that have previously been trading seven days a week are now being told they can only trade six days a week because the business structure is in the form of a family trust?
- (2) If yes, how many businesses have been told they cannot trade seven days a week?
- (3) Will the Government be taking action to make it possible for those genuine small businesses which are acting as a family trust to continue trading seven days?

Mr TROY replied:

(1)-(2)

That statement is not correct. The small retail shop category, under the new legislation, is not a new provision. There has been no change to the criteria for operating a small retail shop category business except that four, rather than two, staff may now be employed and a wider range of products may be sold. Any small shop registration that existed under the old Act, with the same owners and no change in circumstances, is automatically provided with the same status.

- (3) The thrust of the new legislation is to ensure that Sunday trading is reserved, in the small shop context, for genuine owner-operated businesses. No legislative amendments are required at this time and the Government is endeavouring to ensure, at all times, that the status quo remains.

INDUSTRIAL DEVELOPMENT - AMMONIA UREA PLANT
Resources Development, Department of - Establishment Studies

1593. Mr COURT to the Minister for Economic Development and Trade:

- (1) Is the Department of Resources Development continuing its studies on the establishment of an ammonia urea plant in this State?
- (2) If yes, at what stage are these studies?
- (3) When is it anticipated that such a project would be established?

Mr PARKER replied:

- (1) The Department of Resources Development is continuing to monitor this project.
- (2) Not applicable.
- (3) Such a project may be established when product prices and other economic conditions are favourable.

INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT
Sales Contracts - Take or Pay Basis

1594. Mr COURT to the Minister for Economic Development and Trade:

- (1) Are the sales contracts which have been signed for the petrochemical project on a take or pay basis?
- (2) If no, can he give details of what type of sales contract they are?

Mr PARKER replied:

- (1)-(2) There is an obligation on behalf of the off-takers to take all export products at world market prices.

ENERGY - STATE ENERGY COMMISSION
Remote Area Power Systems - Installation

1597. Mr COURT to the Minister for Economic Development and Trade:

- (1) Has the State Energy Commission been involved in installing any remote area power systems over the past two years?
- (2) If yes, how many and where have these systems been built?
- (3) Who has funded these systems?
- (4) What are the different sources of power for these remote area power systems?

Mr PARKER replied:

- (1) Yes.
- (2) Seven: Kiwirkurra
 Tjirkarli
 Djugerari
 Dunham River
 Muludja
 Ringers Soak
 Coonana.
- (3) The Commonwealth Government through the Department of Aboriginal Affairs.
- (4) All diesel generation.

STATE TENDER BOARD - REGULATIONS

1608. Mr HASSELL to the Minister for Labour:

- (1) What rules or regulations apply to the State Tender Board?
- (2) Is the board required to put out to tender orders over a certain sum?

- (3) If so, what is that sum?
- (4) What rules apply to purchases outside the tender procedure?

Mr TROY replied:

- (1) State Tender Board regulations dated 28 January 1966 apply to the State Tender Board Act 1965.
- (2) Yes.
- (3) The State Tender Board requires all purchases of goods and services in excess of \$50 000 to be subject to tender and to be called by the board.
- (4) The Financial Administration and Audit Act 1985; Treasurer's instructions 401 and 402 outline provisions for the purchase of goods and services, not under contract.

GOVERNMENT PUBLICATIONS - HEARSAY
July Edition - Government Policy

1612. Mr MENSAROS to the Minister representing the Attorney General:

- (1) Has the Attorney General read the July edition of *Hearsay*, the bulletin of the Legal Aid Commission of Western Australia?
- (2) Is the view expressed in the first page editorial, particularly in the last sentence of it, supported by Government policy?

Mr GRILL replied:

- (1) Yes.
- (2) The views expressed in the *Hearsay* editorial are those of the editor. The Government supports the child support scheme and has introduced legislation to give it effect in this State.

MINERALS - MINERAL SANDS
Deposits - Chittering Shire

1615. Mr CRANE to the Minister for Mines:

- (1) Are there any known mineral sands deposits in the Shire of Chittering?
- (2) If yes, are any situated in -
 - (a) the Bindoon area;
 - (b) the Muchea area;
 - (c) the Mooliabeenie area; and
 - (d) the Lower Chittering areaand what are the location numbers on which they are situated?
- (3) Have any areas been pegged for mineral sands?
- (4) Is yes, what are the location numbers of the blocks on which they have been pegged and the names of persons or companies in which the leases are held?

Mr CARR replied:

- (1) Yes.
- (2) It is situated in the Muchea area on subplot 4 of Lot M1306 of Swan Location 1371 and Lot M2091 of Swan Location 1371.
- (3) Mining Act tenements are granted for all minerals, and consequently I cannot be definitive as to whether tenements in this area have been taken out to explore for mineral sands.
- (4) However, the abovementioned locality with a known mineral sand deposit is covered by tenements held by Westralian Sands Ltd. Other tenements and tenement applications in this area are shown on plans that are publicly available from the Department of Mines.

MINERALS - COAL
Deposits - Jurien Bay

1625. Mr SCHELL to the Minister for Mines:

What is the known extent of the coal deposits in the Jurien Bay region?

Mr CARR replied:

CRA Exploration has identified an in situ resource of over 300 million tonnes of black steaming coal some 25 kilometres north east of Jurien Bay in a five kilometres wide strip bounded by the Lesueur and Warradarge Faults. The coal is of Jurassic age and underlies an area of about 60 square kilometres.

LOCAL GOVERNMENT ACT - NEW ACT
Draft

1626. Mr HASSELL to the Minister for Local Government:

- (1) Has a draft of a new Local Government Act or part of it been prepared for the Government?
- (2) If so, by whom?

Mr CARR replied:

- (1) Work has begun within the Department of Local Government on writing a new Local Government Act. However, no draft or part draft has been prepared at this stage. A preliminary proposal paper which contains broad objectives of the new Act is available. It has been circulated to local governments as a starting point for discussion, and an extensive consultation procedure has begun. It is proposed to circulate a "principles and issues" paper and seek widespread comment on it before drafting is begun.
- (2) Not applicable.

HORGAN, MR JOHN - FEES
Government Departments and Agencies

1627. Mr HASSELL to the Premier:

- (1) Is Mr John Horgan receiving director's or other fees from Exim Corporation Ltd as well as from Western Australian Development Corporation?
- (2) Is Mr John Horgan receiving director's or other fees from the Government's Gold Corporation as well as from WADC?
- (3) Is Mr John Horgan receiving director's or other fees or payments from any other Government source or agency or authority?

Mr PETER DOWDING replied:

- (1)-(2) Mr Horgan is Chairman of Exim Corporation and Gold Corporation and receives directors fees from those corporations.
- (3) No.

PRISONS - PRISON SITE
Reserve No 39544, Victoria Location 11750 - Identification

1630. Mr CASH to the Minister representing the Minister for Corrective Services:

Will he identify reserve No 39544 Victoria Location 11750 which is held in trust for the purpose of a prison site, and will he further advise the area of this land?

Mr GRILL replied:

Greenough Regional Prison - area 56.6929 hectares.

ROAD TRAFFIC ACT - FARM LICENSED VEHICLES
Range of Travel - Regulation Changes

1631. Mr HOUSE to the Minister for Police and Emergency Services:

- (1) Have there been any changes made to the regulations under the Road Traffic Act which control the movement of vehicles licensed under the farm vehicles' concession for the movement of vehicles from one property to another?
- (2) Have any regulations been drafted which extend the authorised range of travel for farm licensed vehicles?
- (3) Has the Crown Law Department given a legal opinion which indicates farm licensed vehicles are authorised to travel between properties which are not contiguous and/or are in neighbouring shires?

Mr TAYLOR replied:

- (1)-(2) No.
- (3) Yes, and should the member require further information he is welcome to contact my office.

MINERALS - MINERAL SANDS
Dry Processing Plants - Company Operators

1632. Mr STEPHENS to the Minister for Mines:

- (1) Will he provide the names of all companies that operate mineral sands dry processing plants, and the number and location of the plants operated by each company?
- (2) Will he provide the names of all companies that propose to operate dry processing plants, and the number and location of the plants proposed by each company?
- (3) Is there a proposal to explore and/or mine for mineral sands in the Wilson Inlet area at or near Denmark?
- (4) If yes to (3), what is the name of the proponent company, and when is it anticipated that its operations will commence?

Mr CARR replied:

- (1)

Associated Minerals Consolidated Ltd	- Capel	(1 plant)
Associated Minerals Consolidated Ltd	- Eneabba	(1 plant)
Associated Minerals Consolidated Ltd	- Namgulu	(1 plant)
Westralian Sands Ltd	- Capel	(1 plant)
Westralian Sands Ltd	- North Capel	(1 plant)
Cable Sands (WA) Pty Ltd	- Bunbury	(1 plant)
- (2)

TiO ₂ Corporation/Kerr-McGee Ravensthorpe Mining & Investment Co Ltd	- Near Muchea	(1 plant)
Simto Resources Ltd	- Picton	(1 plant)
	- Wonnerup	(1 plant)
- (3) There are no proposals for mineral sand mining in the area. Exploration tenements have been applied for and it is understood that the applicants are seeking to explore for mineral sands.
- (4) The two applicants are Renison Ltd and Simto Resources Ltd. The applications are still being processed, including obtaining EPA advice. Exploration cannot proceed unless the tenements are granted and private landowner consent is given.

HOUSING - HOMESWEST
Dongara, Denison - Outstanding Tenants

1633. Mr REG TUBBY to the Minister for Housing:

- (1) How many applications are outstanding for Homeswest housing in Dongara and Denison in the Irwin Shire?
- (2) How many Government Employees Housing Authority applications are outstanding for both these towns?
- (3) How many houses are planned for construction over the next 12 months in Dongara and Denison in each of these classifications?

Mrs BEGGS replied:

- (1) Eighteen.
- (2) One request has been received from a client department.
- (3) Homeswest - nil.
 Government Employees Housing Authority - 1 x 3 bedroom single detached house in Dongara.
 This will satisfy the outstanding request.

LAND - GOVERNMENT ADVERTISING
LandCorp Glossy - Leda

1634. Mr HASSELL to the Premier:

- (1) In what newspapers was the LandCorp glossy brochure on Leda included?
- (2) What was the cost in all?
- (3) What was the purpose?
- (4) Is this an example of WADC advertising on behalf of the Government?

Mr PETER DOWDING replied:

- (1) The brochures were inserted into the following -
Sound Telegraph
Midland-Kalamunda Reporter
Fremantle Gazette
Stirling Times
The Chronicle
Comment News
Southern Gazette
Eastern Suburbs Reporter
Wanneroo Times
Canning-Melville Times
- (2) \$78 632 or 20c each including printing and distribution.
- (3) To inform interested parties of a significant residential development as well as inviting private sector involvement in the project.
- (4) No. The Government is not mentioned in the brochure. Developments of this type have been advertised in similar fashion over a long period.

TAXES AND CHARGES - SUPERMARKET CHECK OUT BAGS

1635. Mr HASSELL to the Minister representing the Minister for Consumer Affairs:

- (1) Is the Minister aware of the new sales tax on supermarket checkout bags?
- (2) Is the Minister concerned about the resulting added cost to consumers?
- (3) What representations have been made to Canberra about this matter?
- (4) In what ways do these new charges affect the -
 - (a) Government's price watch; and
 - (b) continuing campaign about prices by Mr George Gear?
- (5) Has the Government heard that Mr Gear is complaining about the new tax?

Mr TAYLOR replied:

- (1) Yes.
- (2) The unit cost of such bags is very small and the additional cost to consumers, if any, is expected to be minimal. Competition in the supermarket field is very strong and it is unlikely that the charges will be passed on.
- (3) None.
- (4) They are not expected to affect either.
- (5) Mr Gear has advised that he now expects a neutral effect from the tax.

EDUCATION - MURESK INSTITUTE OF AGRICULTURE
Spring Hill Defence Establishment - Tender

1636. Mr MacKINNON to the Minister for Education:

- (1) Will she advise whether the Muresk Institute of Agriculture has tendered to purchase the former Spring Hill defence establishment?
- (2) If so, what was the amount of the tender?
- (3) If so, for what purpose is Muresk acquiring this facility?

Dr LAWRENCE replied:

- (1) Yes, Muresk has put in a bid.
- (2) The bid was for \$265 000. It was originally intended to bid for a small portion of the site, but the Department of Administrative Affairs has said that the bid should be for the total property - 202 hectares.
- (3) Muresk is seeking to acquire the facility because -
 - (a) the smaller portion is contained within the Muresk boundary and Muresk would use it for farming purposes; and
 - (b) the larger portion, which has road access to Muresk, has facilities which would be valuable to Muresk. These include -

laboratory facilities which Muresk has been seeking;

accommodation for about 50 people which would allow for new activities with TAFE; and

facilities which could be used for post-graduate research. This is needed because of the increase in student numbers and the move into agribusiness, etc.

PLANNING - ZONING

Residential Lots - "Homestead Ridge", Parmelia-Leda

1639. Mr COWAN to the Minister for Planning:

- (1) What is the zoning of residential lots in the area known as Homestead Ridge in Parmelia-Leda?
- (2) Are there any special conditions attached to these lots?
- (3) If yes to (2), what are those special conditions?

Mr PEARCE replied:

- (1) Special residential.
- (2) Yes.
- (3) It is unclear as to which conditions are being sought; that is -
 - (a) building condition related to zoning stipulates that all buildings must be located in the defined building envelope; or
 - (b) selling conditions for next LandCorp release will be -
 - (i) purchasers may buy only one lot. Husband and wife deemed as one person;

- (ii) no company is permitted to purchase a lot;
- (iii) purchasers must build in four years;
- (iv) no resale until lot is built on; and
- (v) no restriction on ownership of other property.

PLANNING - LEDA STRATEGY PLAN

Copy - Tabling

1640. Mr COWAN to the Minister for Planning:

Will he table a copy of the Leda strategy plan?

Mr PEARCE replied:

The Leda structure plan is still subject to negotiation and approval by relevant authorities. This copy should be viewed in that light.

LAND - LANDCORP

Leda, Wellard, Baldivis Areas - Rural Special Rural Ownership

1641. Mr COWAN to the Treasurer:

- (1) Does LandCorp own any land in the Leda, Wellard or Baldivis areas that is currently zoned rural or special rural?
- (2) If yes, will he provide details?
- (3) Is LandCorp currently negotiating or considering the purchase of any rural or special rural land in the Leda, Wellard or Baldivis areas?
- (4) If yes to (3), will he provide details?

Mr PETER DOWDING replied:

- (1) No.
- (2) Not applicable.
- (3) No.
- (4) Not applicable.

PLANNING - HOUSING DEVELOPMENT

Leda, Wellard, Baldivis Areas - Compulsory Acquisition of Rural-Special Rural Land

1642. Mr COWAN to the Minister for Planning:

- (1) Are there plans for compulsory acquisition of rural or special rural land in the Leda, Wellard or Baldivis areas for the purpose of housing development?
- (2) If yes, will he provide details?

Mr PEARCE replied:

- (1) No.
- (2) Not applicable.

WATER RESOURCES - BORES

Sinking Restrictions - Residents, South and East of Kwinana

1644. Mr COWAN to the Minister for Water Resources:

- (1) Will there be any restriction on the sinking of bores by residents and future residents of the housing developments in the area immediately to the south and east of Kwinana?
- (2) If yes, what restrictions?

Mr BRIDGE replied:

- (1) The developments are in an area proclaimed as a groundwater area under the Rights in Water and Irrigation Act 1914 requiring all non domestic bores and wells to be licensed. Normal domestic bores and wells are exempt from these provisions and there are no restrictions on them.

- (2) Not applicable.

PLANNING - REZONING
Rural Areas - Wellard, Leda, Baldvis

1645. Mr COWAN to the Minister for Planning:

- (1) Are there any plans for the rural areas of Wellard, Leda or Baldvis to be rezoned?
(2) If yes, will he table them?

Mr PEARCE replied:

- (1) In regard to Baldvis and Wellard, there are no plans for rezoning of existing rural areas. However, some parts of Baldvis are designated for future urban use under the Planning Strategy for the South West Corridor 1980. In regard to Leda, the Kwinana Regional Strategy identifies Bullrush Bollard as a possible conservation area and this proposal is being investigated by the State Planning Commission. This would affect a relatively small area which is used for rural purposes. In addition, the commission is currently preparing plans for rationalisation of the urban zone and regional reservations in the Leda locality. It is expected that these proposals will be advertised for public comment shortly.
(2) Yes, the Kwinana Regional Strategy and the Planning Strategy for the South West Corridor 1980 are tabled.

PLANNING - HOUSING DEVELOPMENTS, URBAN
Rural Land Farming Activity Restrictions - South and East of Kwinana

1646. Mr COWAN to the Minister for Planning:

- (1) Are there any plans to restrict any farming activity on rural land that is adjacent to or near urban housing developments in the area immediately to the south and east of Kwinana?
(2) If yes, what restrictions?

Mr PEARCE replied:

- (1) No. The draft Kwinana Regional Strategy, however, identified Bullrush Bollard as a possible conservation area and this proposal is being investigated by the State Planning Commission. This proposal would affect a relatively small area of land which is currently used for rural purposes.
(2) Not applicable.

QUESTIONS WITHOUT NOTICE

MINISTERS OF THE CROWN - TREASURER
Meeting, 20 October - Rothwells Ltd Office

285. Mr MacKINNON to the Treasurer:

- (1) Did the Treasurer attend a meeting at the office of Rothwells Ltd on the evening of Thursday, 20 October?
(2) If so, what was the purpose of that meeting?

Mr PETER DOWDING replied:

(1)-(2)

I had a meeting recently at which there was a variety of discussions about the retirement of the State's exposure and other matters. Whether it was Thursday or Wednesday night, I do not recall, but it was certainly one of those evenings.

EMPLOYMENT AND TRAINING - YOUTH UNEMPLOYMENT

Leader of the Opposition - Revenue, Inflation, Payroll Tax Reduction Comments

286. Dr GALLOP to the Treasurer:

- (1) Is the Treasurer aware of recent comments made by the Leader of the Opposition on the question of State revenues and the inflation rates, and comments about reducing payroll tax for workers under 21 years of age?
- (2) If so, can he clarify the actual situation with regard to these matters?

Mr PETER DOWDING replied:

(1)-(2)

I am very concerned about the Leader of the Opposition's continuing to mislead the community about the situation. The figures in relation to youth unemployment demonstrate that there has been a massive change since this time last year. In this time, youth unemployment has been reduced by 19.6 per cent and the level of investment in Western Australia has risen by 50 per cent. As we said earlier today 140 000 jobs have been created and the State's population has increased significantly. The Leader of the Opposition has focused on revenue collections because he knows perfectly well that any comparison of actual tax rates between his Government and ours would show his Government in an absolutely appalling light. The Leader of the Opposition and his Government increased taxes and charges dramatically on every occasion except in the pre-election environment. This Government has kept those increases below the rate of inflation. The Leader of the Opposition suggested that there ought to be a complete abandonment of payroll tax in respect of workers under 21 years of age. If he has to resort to that sort of gimmick in order to reduce unemployment when he has seen a Government acting responsibly being able to reduce youth unemployment in 12 months by nearly 20 per cent, quite frankly I think he ought to go back and have another look at his own policies.

MINISTERS OF THE CROWN - TREASURER

Meeting, 20 October - Rothwells Ltd Office

287. Mr MacKINNON to the Treasurer:

- (1) Is it true that following the Treasurer's attendance at a meeting in the office of Rothwells Ltd on the evening of 20 October - to refresh his memory - the SGIC extended to Rothwells Ltd funds in the form of unsecured bills or in any other way?
- (2) Is it also correct that these funds totalled in the order of \$28 million?
- (3) Is it correct that one of the key persons involved in this negotiation was Kevin Edwards who was present on both Thursday evening at the meeting with the Treasurer and Friday at Rothwells Ltd?

Mr PETER DOWDING replied:

(1)-(3)

I do not think that is correct at all. I am not aware of any of those matters occurring following my meeting.

PETROCHEMICAL INDUSTRIES CO LTD - NEWSPAPER ARTICLE

"Exclusive" Story

288. Mr MARLBOROUGH to the Minister for Economic Development and Trade:

Can the Minister comment on the "exclusive" story in tonight's *Daily News* concerning the accounts of the Petrochemical Industries Company Ltd?

Mr PARKER replied:

I thank the member for Cockburn for some notice of that question. There is an article in tonight's *Daily News* by one Martin Saxon, which claims to have confirmed certain things on an exclusive basis and to have reported those comments on the basis of confirmation by the Government. Let me make it

clear that some of these comments attributed to me are quite accurate but were comments which were not taken from me by Mr Saxon but rather by Ms Debra Read, a journalist with the *Daily News*, some weeks ago. Nevertheless, I do not reside from those comments at all. However, in relation to those matters where there are no quotations or no person to whom those quotes are attributed there are a number of very substantial inaccuracies in the article. For example, the article begins -

The *Daily News* confirmed this week that the WA Government and Bond Corporation will pick up the tab for more than \$21 million spent on project development over the past two years.

That is simply not true. The article goes on to say that part of the value when I was defending the price was in relation to the land. That is not true either. I have always made the status of the land clear - and indeed have told the House - and it has always been made very clear that the land has had no relation whatsoever to the value of the project. The land is almost an irrelevancy in projects of this type and has always been stated to have been part of the \$800 million construction cost and associated amounts cited by the Government right from the very start. The article, for example, says that the \$400 million price tag was negotiated by the Government and Bond Corporation well before we received our independent report from the First Boston Corporation. That is simply not true. The article then reiterates the point that the land was cited as something which was part of the \$400 million value. Again that is not true; it has never been stated by the Government that the land was any part of the value. They then make some references to Mallina Holdings, a company in which Mr Saxon seems to have an ongoing interest. I do not want to comment on that at all, except to say that Mallina Holdings is not and never has been a shareholder in PICL and was not the recipient at any stage of any involvement in PICL so far as the Government is aware.

MINISTERS OF THE CROWN - MINISTER FOR AGRICULTURE
Meeting, 20 October - Rothwells Ltd Office

289. Mr MacKINNON to the Minister for Agriculture:

- (1) Did the Minister for Agriculture attend a meeting at the office of Rothwells Ltd on the evening of 20 October?
- (2) What was the purpose of the Minister's attendance at the meeting?

Mr GRILL replied:

- (1) Yes.
- (2) I represented the Minister for Economic Development and Trade who was then overseas.

LIBERAL PARTY - HEADQUARTERS
Break and Enter

290. Dr ALEXANDER to the Minister for Police and Emergency Services:

- (1) Is the Minister aware of the break and enter that occurred in Liberal Party headquarters?
- (2) If yes, could he comment on the so-called "suspicious nature" of the offence that was raised by the Leader of the Opposition?

Mr Burkett: Obviously, they were not looking for policies.

Mr TAYLOR replied:

(1)-(2)

Yes, I am aware of the break and enter that took place at those premises. As the member for Scarborough said, they were not looking for policies because they would have been caught still looking the next morning.

I have asked for a report from the Police Department as to the nature of the

offence. I was amazed to see on television last night the former secretary of the Liberal Party - I think he is now a research officer - Mr Herzfeld, saying that nothing of a sensitive nature appeared to have been taken and it did not have the smell of a Western Australian Watergate about it.

Television stations also showed the Leader of the Opposition shaking his head and saying that a very suspicious thing had occurred. I believe it was a bit of a try on for the Leader of the Opposition to even suggest that there was something suspicious about the break and enter. No-one could approve of the offence that was committed. The fact is that the Liberal Party headquarters, a group called Access Consulting which works for the Liberal Party, and the Ministry of Consumer Affairs all share the building and all were broken into on that night. Apparently the offenders were looking for petty cash because that is all that was taken.

It was disgraceful for the Leader of the Opposition to make something more of this event than occurred. Of course there was nothing suspicious about what happened. The Leader of the Opposition was looking for a bit of political mileage and has been shown to be quite foolish.

INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

Ethylene Dichloride, Vinyl Chloride Monomer Exports - PVC Processing

291. Mr STEPHENS to the Minister for Economic Development and Trade:

- (1) Will the Minister explain to the House why the current proposal for the petrochemical plant involves the export of EDC or VCM which I understand to be health and environmental hazards, rather than PVC which I understand to involve little or no risk to the health of the people handling it or to the environment?
- (2) What special facilities will there be for the safe handling of EDC or VCM both within the plant and in transit to the site?
- (3) Are there plans for the plant's processing to the PVC stage?
- (4) If yes, when?

Mr PARKER replied:

- (1) More than the products mentioned by the member for Stirling will be produced for export from the plant. Of course, caustic soda will be produced, but that will be consumed domestically. The products available for export will include ethylene, ethylene dichloride and vinyl chloride monomers. Those products are the basis upon which the project will be constructed and for which the firm off-take arrangements were obtained by Dallas Dempster in the period for which he was responsible for the progressing of this project from the Mitsubishi Corporation in Japan.

EDC, VCM and ethylene can be sold and bought in bulk by single off-takers such as Mitsubishi. However, with some exceptions if it goes to the PVC resin stage, to which the member for Stirling referred, we will need to sell to the hundreds of small PVC fabricators who make PVC resin into pipes, tubes, guttering and what have you.

Mr Dempster was not in a position to obtain firm off-take bankable contracts in order to secure the sorts of loan facilities that he would need to advance the project to that stage.

- (2) The Environmental Protection Authority, as part of its approval for this project, has, on an ongoing basis, required the submission of environmental management programs. Those programs deal, inter alia, with some of the questions which the member for Stirling raised, including activities within the plant and at the load out site at the port. Depending on how the EPA progresses them, the environmental management programs also provide for an input from the public and the work force to ensure that the EMPs address all of the appropriate issues.

In addition, the Town of Kwinana has, in the conditions which it has imposed on its approval, asked for certain requirements in relation to the handling of these products. All of the EPA and Town of Kwinana requirements have been adopted and accepted by the owners of the project and also by the constructors, J.G.C./Clough.

(3)-(4)

As I indicated earlier, Mr Dempster did not have the financial strength to proceed along that route. It was his intention that eventually that would happen and his plans and specifications provided for the addition of a PVC plant probably some years down the track when he had overcome some of the other risks.

It is our preliminary view - we said this at the time we made the announcement about the detailed investment in the project - that the PVC plant not only has the attributes to which the member for Stirling has referred, which it undoubtedly has, but also it has substantial economic benefits which will add value to the project over and above the existing value and will also substantially enhance the State's position in the marketing of the various commodities around the world. The different aspects of the different products move asynchronously to each other which means that the more of them there are the more likely it is that one of them will be at a high point at any particular time when a greater strength in the market is attained.

For all of those reasons we believe that PVC manufacture is useful and worthwhile, environmentally and economically. We are making a study of that at the moment. We hope that that study will not take too long. Both the owners of PICL hope that we will be able to make a commitment to such a plant in the near future.

EDUCATION - PARENTS AND CITIZENS ASSOCIATION, ESPERANCE
Shadow Minister for Education - Correspondence

292. Mrs WATKINS to the Minister for Education:

- (1) Is the Minister aware of correspondence addressed by the shadow Minister for Education to the Esperance Parents and Citizens Association?
- (2) If yes, will she comment on the content of it?

Dr LAWRENCE replied:

(1)-(2)

I thank the member for the questions, which are important to me. One thing that I and this Government have tried to do is to ensure that P & C associations are taken seriously, their work is highly regarded and they are appropriately consulted about things of school importance such as buildings, programs, and so on.

I was impressed by the fact that Hon Norman Moore, the shadow spokesman on education, took it upon himself, when he found that the Budget did not contain an allocation to the Esperance Senior High School, to write to the P & CA and suggest to it that since no allocation had been made, and since this was an election year - although he did not say that in the letter - it might be appropriate for the association to write to me and complain vigorously about the fact that we had omitted it from the Budget. So far members might say there is nothing surprising about that; many local members would do no less than that.

After the answering of a question on notice about those funds, Hon Norman Moore sent a letter gingering up the P & CA together with my answer to a question addressed to Hon Kay Hallahan in the other place. The shadow Minister wrote to the secretary of the P & CA enclosing this question. So far so good; nothing particularly strange about that. Perhaps there was a genuine concern about the Esperance Senior High School and the P & CA's plight. However, was he really concerned?

On a copy of the question obviously inadvertently left attached was a comment from his electorate secretary. Under the letter "N" was written the question, "Do you want to write a covering letter to soothe these peasants or what?" Members might say that was an unfortunate mistake on the part of his electorate secretary and perhaps Mr Moore cannot be held responsible for that. However, under the note concerning the question of whether the people regarded by his electorate secretary as peasants should be replied to, he says, "Soothe! They should be fired up."

The question then arises does the shadow Minister really regard the P & CA as peasants - he did not attempt to correct that assertion - and if so, why did he not correct that assertion by his secretary? How genuine was his approach in the first place?

I think it is disgraceful that someone who is purporting to be the education shadow Minister should regard a significant parent body as a group of peasants.

ROTHWELLS LTD - GOVERNMENT GUARANTEE
Expiry Date

293. Mr COURT to the Treasurer:

Is it correct that the Government's guarantee to Rothwells Ltd does not expire until 31 October 1988?

Mr PETER DOWDING replied:

I am not aware of the final date.

Mr MacKinnon: When does it expire? You are the Treasurer? It is a most important guarantee.

Mr PETER DOWDING: Of course I am the Treasurer.

The SPEAKER: Order! The Leader of the Opposition has been very good tonight.

Mr PETER DOWDING: The Leader of the Opposition should know two things: First, it is not a guarantee which I entered into. Secondly, the most important guarantee which I have entered into to date is the one I entered into yesterday and announced; that is, \$150 million for the lupin and barley growers. If the member wants to know the precise date I suggest that he put the question on notice and I will get an answer for him.

POLICE - LIBERAL PARTY
Commissioner of Police - Overriding Powers

294. Mr D.L. SMITH to the Minister for Police and Emergency Services:

Is the Minister aware of recent statements from members of the Opposition that they would overrule the Police Commissioner to establish police stations in the south west of this State?

Mr TAYLOR replied:

I am aware of the statements made by the member for Vasse and, more particularly, by the member for Murray-Wellington. The member for Murray-Wellington stood out in the way in which he made it quite clear - in fact, he actually said that a Liberal Government would overrule the Commissioner of Police in this State over these sorts of matters and, no doubt, other matters.

Last week the Commissioner of Police and I attended a regional police officers' conference in Bunbury. The commissioner, as is his wont, agreed to appear on a local radio station and was asked a number of questions. Many of those questions related to the good work being done by the Police Force in this State by way of the crime prevention campaign. He was also asked a question about the future of a police station at Australind. On this matter the commissioner rightly said - I have answered questions about this subject myself in the south west - that it was a matter for him and at the moment the

Police Force was investigating the need for a police station in the Australind area and would be drawing a conclusion in regard to those investigations in the near future.

The commissioner did not make an absolute commitment in terms of providing a police station at Australind. On hearing that, the member for Murray-Wellington said on radio that he would override the powers of the Commissioner of Police to ensure that Australind was given a police station. He said that when the Opposition became the Government the attitude and view of the Commissioner of Police in these matters would be of no consequence. He also said that the Opposition, when in Government, would not only build a police station at Australind, but also it would determine the number of police officers at that station.

The question that is important in terms of the future of police powers in this State is whether the Leader of the Opposition endorses the sorts of comments made by his backbenchers about overriding the powers and responsibilities of the Commissioner of Police in this State on operational matters. Does the Leader of the Opposition support what his backbenchers are saying in terms of overriding the Commissioner of Police on operational matters? Yes or no!

Several members interjected.

Mr TAYLOR: What does the member for Murchison-Eyre think? Would he override the commissioner?

Several members interjected.

Mr TAYLOR: It is absolutely clear that the Leader of the Opposition is quite happy and quite at home with the idea that if he were to win office he would lead a Government that actually had a politicised Police Force. He would lead a Government which would undoubtedly legislate to have section 54B reintroduced. He would lead a Government which made sure that it made decisions as far as the police are concerned. It is something that should be of great concern to all Western Australians and it is something that this Government recognises is the responsibility of the Commissioner of Police. The commissioner would have every right to be distressed by the suggestion that a Liberal Government in this State would take over the running of the Police Force in this way.

STATE GOVERNMENT INSURANCE COMMISSION - ROTHWELLS LTD *Funding - Since 20 October*

295. Mr MacKINNON to the Treasurer:

Can the Treasurer assure the Parliament that the State Government Insurance Commission has not paid or deposited funds, directly or indirectly, to Rothwells Ltd since last Thursday?

Mr PETER DOWDING replied:

The Leader of the Opposition should know that as Treasurer I do not get involved in the day to day management of any organisation of that sort. If he wants to make inquiries about -

Mr Court: You were at the meeting.

Mr MacKinnon: Do you know or don't you?

Mr PETER DOWDING: I attend meetings all the time and I have attended meetings at which Opposition members have been present. I have been at meetings where the families of Opposition members have been in attendance.

Mr MacKinnon: Until two o'clock in the morning?

Mr PETER DOWDING: The Leader of the Opposition draws a long bow.

Mr MacKinnon: I think the arrow just hit a bullseye.

The SPEAKER: Order!

Mr PETER DOWDING: I do not manage the affairs of those organisations and, quite frankly, it would be wrong if I did. I have repeatedly made it clear that we have a board of directors which runs it; we have a board of directors for the State Superannuation Board - we have a board of directors for the SGIC. As far as I am concerned I have the utmost faith in those boards.

EDUCATION - HIGHER
Inquiry - Committee Members

296. Mr SCHELL to the Minister for Education:

With respect to the Minister's inquiry into higher education -

- (1) Who are the members of the committee of inquiry?
- (2) When is the inquiry expected to report?
- (3) What steps is she taking to ensure that all interested persons, including those who live in country areas and who may have a special interest in the proposed Distance Education Centre at Murdoch University, are given the opportunity to participate in the inquiry?
- (4) Will the report of the inquiry be made public and will there be an opportunity for further submissions on its recommendations?

Dr LAWRENCE replied:

(1)-(4)

I am happy to provide the information. The people on the review of higher education are Mr Jim Gill, who is the Commissioner of Westrail, Mr Joe Isaac, an emeritus Professor and an ex industrial commissioner, and me, as chairman of the committee. We want to make it as short and as sharp as possible and we hope to report by April. The terms of reference have already been reported and advertised recently in Western Australian, interstate and country newspapers. In addition, we are requesting submissions from interested bodies by letter and that includes a number of country organisations, including the industrial and educational interests which exist in the country.

EDWARDS, MR KEVIN - MEETING, 20 OCTOBER
Rothwells Ltd Office

297. Mr MacKINNON to the Treasurer:

- (1) Can the Treasurer explain why Kevin Edwards was involved in the meetings with the Premier and the Minister for Agriculture at Rothwells Ltd last Thursday evening when Mr Edwards is supposedly the executive in charge of the Government's petrochemical project investment?
- (2) Can he confirm that Mr Edwards is still a director of the State Government Insurance Commission?

The SPEAKER: Order! Before the Treasurer answers the question I advise the House that this question is another example of a poorly framed question in respect of our Standing Orders. I again advise members that this is a very important period of time in the parliamentary process and it would pay those members who have not read the Standing Orders in respect of the framing of questions to read them. The Treasurer may answer the question if he wishes.

Mr PETER DOWDING replied:

(1)-(2)

The Opposition knows perfectly well that I am engaged in meetings every day of the week for a variety of reasons. I certainly never would be prepared to agree to discuss who was at meetings and on what basis meetings were held. The Deputy Premier told me that I had perhaps left something equivocal in one of my earlier answers to the Leader of the Opposition. I had not made or participated in or asked to have any decisions made in respect of the State Government Insurance Commission on that occasion. I want to make it

absolutely clear to the Leader of the Opposition that the persons who make decisions for the State Government Insurance Commission will always be the board.

Mr Hassell: Including Kevin Edwards, your employee and ours.

Mr PETER DOWDING: Opposition members are really overcome on any occasions on which the poor fellow's name is mentioned. I advise the Leader of the Opposition that the reason he is not off the board of the State Government Insurance Commission is because of the board's request; that is, until his position expires in a very short time. At the request of the chairman he resigned as the deputy on the board. I did not -

Mr MacKinnon: That is why he attended.

The SPEAKER: Order! The Leader of the Opposition will stop interjecting.

Mr PETER DOWDING: - argue at all with the request of the board that he remain on the board until his term expired.

I assure the House that I do not go around making decisions for the SGIC, and neither does any individual of that sort; certainly Kevin Edwards does not, and he is not asked to make such decisions.

Mr Court: Very unconvincing.

Mr PETER DOWDING: Today we have an example of a series of questions from the Opposition which are designed to do one thing; that is, to ramp up some innuendo.

Mr MacKinnon: Answer the question.

Mr PETER DOWDING: What offends the Opposition more than anything else is that the Government has brought the petrochemical industry into Western Australia when it failed to do so over a number of years.
