

# Legislative Assembly

Thursday, 30 March 1989

THE SPEAKER (Mr Barnett) took the Chair at 10.45 am, and read prayers.

## MEMBERS OF PARLIAMENT - SWEARING IN

THE SPEAKER (Mr Barnett): Today I administered the affirmation of allegiance to Jacqueline Patricia Watkins, member for Wanneroo.

## FINANCIAL ADMINISTRATION AND AUDIT ACT

### *Report Tabling - Extension of Time*

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

Legal Contribution Trust Annual Report 1987-88.

I table the relevant correspondence.

[See paper No 24.]

## PARLIAMENTARY TIMES OF SITTING

### *Days and Hours*

On motion by Mr Pearce (Leader of the House), resolved -

That the House, unless otherwise ordered, shall meet for the despatch of business on Tuesdays at 2.15 pm, on Wednesdays at 2.15 pm, and Thursdays at 10.45 am, and shall sit until 6.00 pm if necessary and, if requisite, from 7.15 pm onwards.

## GOVERNMENT BUSINESS

### *Precedence - Tuesdays and Thursdays*

On motion by Mr Pearce (Leader of the House), resolved -

That on Tuesdays and Thursdays, Government business shall take precedence of all motions and Orders of the Day.

## COMMITTEES FOR THE SESSION

### *Appointment*

On motions by Mr Pearce (Leader of the House), resolved -

That the following members be appointed to sessional committees -

- (1) Standing Orders Committee - Mr Speaker, the Chairman of Committees, Mr House, Mr Thomas and Mr Watt.
- (2) Library Committee - Mr Speaker, Mr P.J. Smith and Mr Bradshaw.
- (3) House Committee - Mr Speaker, Mr Catania, Mr House, Mr McNee and Dr Watson.
- (4) Printing Committee - Mr Speaker, Mr Blaikie and Mr Kobelke.
- (5) Public Accounts and Expenditure Review Committee - Mr Donovan, Dr Gallop, Mr Ripper, Mr Strickland and Mr Trenorden.

## JOINT STANDING COMMITTEE ON DELEGATED LEGISLATION

### *Appointment*

On motion by Mr Pearce (Leader of the House), resolved -

- (1) That the Joint Standing Committee on Delegated Legislation appointed during the Thirty-second Parliament be reappointed.
- (2) That the House appoint Mr Donovan, Mr Mensaros, Mr Ripper and Mr Wiese to be members of the Committee.
- (3) That the Council be invited to concur in the reappointment of the Committee.

## PARLIAMENTARY SUPERANNUATION FUND - TRUSTEES

### *Appointment*

On motion by Mr Pearce (Leader of the House), resolved -

That pursuant to the provisions of the Parliamentary Superannuation Act 1970, the Legislative Assembly hereby appoints the member for Darling Range (Mr Thompson) and the member for Victoria Park (Dr Gallop) to be trustees of the Parliamentary Superannuation Fund.

## STANDING ORDERS SUSPENSION

### *Bills - Second Reading*

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

That so much of the Standing Orders be suspended as would prevent the second reading of the following Bills being moved this day -

Acts Amendment (Accountability) Bill

Stamp Amendment Bill

Supply Bill

Treasurer's Advance Authorization Bill and

Western Australian Petrochemical Industries Authority Bill.

## ACTS AMENDMENT (ACCOUNTABILITY) BILL

### *Introduction and First Reading*

Bill introduced, on motion by Mr Parker (Deputy Premier), and read a first time.

## STAMP AMENDMENT BILL

### *Introduction and First Reading*

Bill introduced, on motion by Mr Parker (Treasurer), and read a first time.

### *Second Reading*

**MR PARKER** (Fremantle - Treasurer) [11.06 am]: I move -

That the Bill be now read a second time.

The purpose of this Bill is to amend the Stamp Act to give effect to the Government's election promise of a stamp duty rebate for first home buyers and buyers of land for a first home from 1 March 1989. The stamp duty rebate is an integral element of the Government's housing policy aimed at continuing to provide an affordable housing environment in Western Australia and targeting assistance to those most in need. The rebate will relieve some of the burden of higher property prices which have hit first home buyers in particular.

The Bill provides for a rebate of duty of up to \$500 for first home acquisition settled on or after 1 March 1989. In order to limit the rebate to those most in need, eligibility for the rebate will be restricted to those who purchase property they intend to occupy as their principal place of residence. Where a house which a purchaser intends to reside in already exists on the property, the value must not exceed \$80 000. In recognition of the higher costs of living in the north of the State, a higher limit of \$120 000 will apply for homes located north of the 26th parallel. For buyers of land intended for the erection of their first home a value limit of \$33 000 will apply.

As the rebate is aimed at those most in need it will not be available to those who have previously owned, or have been part-owners of, a residence. However, previous ownership of vacant land will not preclude eligibility for the rebate.

An additional requirement in the case of land is that house construction must commence within four years of the land being acquired. The rebate will only be payable after the applicant has entered into a building contract, or where there is no contract, after building commences. Those who consider they are eligible for the rebate will be required to apply to the Commissioner of State Taxation in the manner specified in the legislation. They will need to provide such information as the Commissioner requires to satisfy himself that the applicant is eligible for a rebate.

Applications must be received within 12 months of a home being acquired or, in the case of land, within 12 months of the commencement of construction of a home or the date of signing a building contract for a home. Where an applicant applies for a rebate and the application is approved prior to the payment of stamp duty, the rebate will be provided by way of a reduced stamp duty assessment. However, where application is not made, or approval is not given until after the payment of stamp duty, a refund will be paid. The estimated cost of the rebate is \$3.1 million in a full year.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Lewis.

## SUPPLY BILL

### *Introduction and First Reading*

Bill introduced, on motion by Mr Parker (Treasurer), and read a first time.

### *Second Reading*

**MR PARKER** (Fremantle - Treasurer) [11.08 am]: I move -

That the Bill be now read a second time.

This measure seeks the grant of supply to Her Majesty of \$2 500 million for the works and services of the year ending 30 June 1990 pending the passage of appropriation Bills during the Budget Session of the next financial year. The Bill seeks an issue of \$2 300 million from the Consolidated Revenue Fund and \$200 million from moneys to the credit of the General Loan and Capital Works Fund.

The amounts sought are based largely on the estimated costs of maintaining services and works at existing levels, and no provision has been made for any new major programs which must await the introduction of the 1989-90 Budget. With regard to the Consolidated Revenue Fund the amount requested reflects changed accounting arrangements for hospital funding. In 1988-89 the Commonwealth's hospital funding grant was paid into the Hospital Fund and netted against expenditure, but in 1989-90 it is intended to bring the funds into the Consolidated Revenue Fund requiring a higher level of appropriation by Parliament for hospital funding but improving public accountability.

Before dealing with the formal requirements of the Bill I would like to comment briefly on the current year's budgetary position. As members will recall, the 1988-89 Budget presented to Parliament on 31 August 1988 provided for a balanced Budget with expenditure estimated at \$4 044 million and revenue at \$4 044 million. There will be, not surprisingly, variations to the estimate of both revenue and expenditure, given the magnitude of the total figures involved. A recent review of the Budget indicates that estimated receipts and outlays will be above Budget, with the prospect of a surplus being achieved for the fifth year in succession.

Due to buoyant economic activity, revenue collections in total are expected to be above estimate, largely as a result of higher than estimated receipts from taxation, especially stamp duty collections. The estimated additional stamp duty reflects, in the main, increased collections from conveyancing and mortgages as a result of higher levels of real estate activity than estimated in the Budget.

On the expenditure side, every effort is being made to contain overall outlays to the amounts

appropriated by Parliament. However, it has been necessary to fund some inescapable or unavoidable additional commitments which have emerged since the Budget was introduced into Parliament. The largest of these relates to the Government's action to protect the savings of many thousands of Western Australians who invested in the failed Teachers Credit Society. As I have already indicated, all of these additional funding commitments will be met from within funding available in 1988-89. As members will be aware, excess expenditures approved after the Budget has been passed are required by law to be resubmitted as part of the Appropriation Bills for Parliament's approval.

So far as 1989-90 is concerned, the Commonwealth has already indicated that it will be seeking continued restraint in payments to the States and in State global borrowing limits for 1989-90. Clearly that action by the Commonwealth will make our budgetary task in 1989-90 much more difficult than it would otherwise have been. However, the Western Australian Government acknowledges the need for expenditure restraint to be sustained at all levels of Government, if Australia's rate of inflation and current account deficit are to be reduced to manageable levels. While this may impose some difficulties, we recognise that the State must play its part in addressing the macro economic problems confronting the nation so as to ensure soundly based and sustained economic growth. At the same time, my Government believes that the burden of adjustment needs to be fairly shared. We will be arguing forcibly at the Premiers' Conference that the States in general, and Western Australia in particular, should not be unfairly treated and to ensure that due regard is given to unavoidable State expenditure commitments necessary to meet broadly based community needs.

I have already described the formal provisions of the Bill, and I commend the Bill to the House.

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

## TREASURER'S ADVANCE AUTHORIZATION BILL

### *Introduction and First Reading*

Bill introduced, on motion by Mr Parker (Treasurer), and read a first time.

### *Second Reading*

**MR PARKER** (Fremantle - Treasurer) [11.12 am]: I move -

That the Bill be now read a second time.

The Treasurer's Advance Authorization Bill authorises the Treasurer to make withdrawals from the public bank account to provide advances for authorised purposes chargeable to the Treasurer's Advance Account within the monetary limit available for the financial year commencing 1 July 1989. In addition, the Bill seeks supplementation of \$85 million against the monetary limit authorised for the 1988-89 financial year. The monetary limit specified within clause 4 of the Bill represents an authorisation for the Treasurer to withdraw up to \$250 million for the financing of advances in the 1989-90 financial year.

The purposes for which advances may be made are set out within clause 5 of the Bill and remain unchanged from those authorised in previous years. Where payments are made in respect of a new item or for supplementation of an existing item of expenditure in the Consolidated Revenue Fund or General Loan and Capital Works Fund, those payments will be chargeable against the appropriate fund pending parliamentary appropriation in the next financial year. Advances provided for other purposes are repayable by the recipient.

The proposed monetary limit of \$250 million for the 1989-90 financial year represents an increase of \$50 million over the 1988-89 authorisation specified in section 4 of the Treasurer's Advance Authorization Act 1988. The increase is necessary to accommodate the needs of a number of operating accounts operated through Treasurer's Advance arrangements. Members would be aware that a number of activities, such as the Building Management Authority's works and sales account and suspense stores for printing and supply services, are initially financed by way of Treasurer's Advance which is subsequently recouped from the department or statutory authority on whose behalf the work or service was performed. In addition, an allowance has been made for the provision of short term/bridging finance, if appropriate, from the Treasurer's Advance Authorization to meet any Government

obligation that may arise in relation to its bridging commitment to the Petrochemical Industries Co Ltd project. All such advances will be made at market rates of interest and will be repaid when project funding arrangements are in place.

Clause 6 of the Bill seeks an increase of \$85 million in the monetary limit authorised in the financial year ending 30 June 1989. The need to supplement the limit is a result of the Government's decision to protect the savings of many thousands of ordinary Western Australians who had invested in the failed Teachers Credit Society. It stems from the settlement with the Rural & Industries Bank of Western Australia for the transfer of assets and liabilities of the Teachers Financial Society (under administration) to the bank. This unbudgeted payment, together with other payments made in respect of new expenditure items or supplementation of existing items of expenditure of the Consolidated Revenue Fund or General Loan and Capital Works Fund, will be met from 1988-89 revenues. The expenditure is authorised in accordance with the Financial Administration and Audit Act, and will be chargeable against the relevant fund pending parliamentary appropriation in 1989-90.

I commend the Bill to the House.

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

## WESTERN AUSTRALIAN PETROCHEMICAL INDUSTRIES AUTHORITY BILL

### *Introduction and First Reading*

Bill introduced, on motion by Mr Parker (Treasurer), and read a first time.

## ADDRESS-IN-REPLY - SECOND DAY

### *Motion*

**MR MacKINNON** (Jandakot - Leader of the Opposition) [11.17 am]: At the outset of my remarks I want to make a brief comment about the recent election and its outcome. Firstly let me again, as I did publicly at the time the result was announced, congratulate the Government on its success. However, in doing so I want to make a couple of important observations which are likely to have an impact on our operations in this Parliament in the foreseeable future.

The first of those is that it was an historic victory because it is the first time in this State that we have, in effect, a minority Government; the first time that a party which polled fewer votes than the other major party commands a majority of the seats. When one looks at the outcome it is quite amazing - in fact it is astounding - that more public comment to that effect has not been made. Members opposite trumpeted for years about a gerrymander, but not once under the electoral system that was previously incumbent in this State did any political party win office when it did not have a majority of the votes. For the first time, the Liberal Party in this State commanded more votes in its own right than did the Labor Party yet did not win office. Even in coalition with the National Party the Liberal Party is still five members short of attaining the Government benches. It was an astounding result by any measure and quite clearly is historic and will have an impact on our operations. I believe it will lead to quite some debate about the type of electoral system we should have in Western Australia.

My second observation relates to the question of advertising.

Mr Marlborough interjected.

**MR MacKINNON**: I will talk about the Legislative Council in a minute. It is amazing - the member for Peel has just made his maiden interjection; it will be interesting to learn when he will make his maiden speech.

The use of advertising in this election campaign was rather different from that used in any other election campaign in this State's history. For the first time the Government used and abused to an extent I have never seen before its position and taxpayers' funds to supplement and support its own electoral program. We even saw the Government putting out brochures which were then mirrored in the electorates - even in the electorate of the Premier - with a similar publication, with the same colouring and layout as the Government's own program.

That was paid for by the taxpayers initially and was then copied by ALP members. I think the question of abuse will lead to a serious debate - I hope it will be a serious debate - over the ensuing months about the use by Government of its position in that way. I do not believe that the people of Western Australia will tolerate that abuse any longer, particularly when those funds - and I estimate the Government spent a figure in the order of \$6 million to \$7 million on promotion in the four to five months leading up to the election and even into the election campaign - could have solved many of the problems being faced by our community today. In particular I refer to the problem of accommodation in relation to education, which many of my colleagues share. The question of the Government's abuse of its own position in respect of advertising concerns the Opposition and I foreshadow that the Opposition will take some action on it in an endeavour to deal with it in a sensible and proper way.

Thirdly, after each election there is an influx of new members of Parliament, but this time we are seeing probably more than the norm. I extend to all of those new members, from whichever party they come, my congratulations on their result and I wish them well in their endeavours in this place. To members opposite, I hope their tenure is not long from the Opposition's point of view, but I congratulate them on their success. From the Liberal Party's point of view the success was significant: Thirteen new members in both Houses is a significant influx of new members and one which will have an impact not only upon our party and its performance both inside and out of Parliament, but also on the Parliament generally because of the quality of those new members. I am sure that members will soon see that as these new members begin to make their contributions. To each new member I offer my best wishes for the future.

As a consequence of the interjection from the usually silent - and I know in his electorate very inactive - member for Cockburn -

Mr Marlborough: Peel. That is how up to date you are. You are showing your credibility.

Mr MacKINNON: Members opposite still do not know who the new member for Cockburn was or who the new member for the new electorate is. They have not even heard of it. That is how effective he is.

The result in the Legislative Council was historic because in the electoral system brought in by the current Government, under proportional representation it was a great victory for the House of Review. The Government has made no secret of the fact over the years that it wants change, with the eventual destruction of the Legislative Council being its objective. We have consistently fought against that and I believe that the result achieved in the election by the conservative parties in the Legislative Council was in the best interests of the Western Australian Parliament and people. It has led to the retention of a very strong House of Review which will continue to play the sensible and responsible role it has played in the past.

It is clear from the election result that the Government is on notice from both the people of Western Australia and from the Opposition that it must take seriously its newly stated commitment - yet to be proven - on accountability. We will not, and nor will the people of Western Australia, be short-changed on that commitment. We will not accept anything that is second best; we will look at the legislation as it comes forward but if - as I predict now - it is a second rate and pathetic attempt to impose the changes that should be put into place, we will ourselves be putting that change in place. I think it is a monumental insult to the intelligence of the people of this State and the Parliament for members opposite to indicate that WA Inc is dead, particularly when it continues to have major investments in the Petrochemical Industries Co Ltd project, with West Australian Newspapers Ltd - through the State Government Insurance Commission - and with Bond Corporation in Bell shares. To claim that WA Inc is somehow dead when two of the biggest investments it ever had are alive and very well indeed is wrong.

Before getting to the substance of my comments I wish to comment on this sitting of Parliament. I want to place on record in this House that the Opposition rejects and opposes very strongly the manner in which the Government has come into this Parliament and is already attempting to deal with the business before the House.

Mr Pearce: Would you prefer the Liberal Party system where there is no post-election sitting at all?

Mr MacKINNON: We are elected as members of Parliament to come here to work on behalf of the people of Western Australia. We also have in place some customs and traditions as to how business should be dealt with in this place. We are already seeing the Government, led by the Leader of the House, trying to put pressure on us in order to steamroll legislation through this Parliament in what can only be described as a haphazard and frantic way.

Mr Pearce: That is absolutely untrue.

Mr MacKINNON: I give notice that the Opposition will have no part of that. We are elected to Parliament to do a job, and we will stay here and do it for as long as is necessary and in a manner which has in the past been demonstrated to be totally responsible. I remind the House that it was not the Opposition which shut the Parliament down early last year; it was the Government of Western Australia. The Opposition did not come into this Parliament and say, "We will only be here for three weeks", and I predict that the Government will guillotine motions through this House and will sit to all hours of the night in order to wear politicians down in a stupid manner that I think is not becoming of any parliamentary Chamber, let alone the Parliament of Western Australia.

We want to debate serious issues. We have already given notice of wanting to debate them - the questions of accountability, housing and education. New and old members on this side of the House have matters of grave importance to their electorates to raise. There is a Federal mini Budget coming down next month and I am sure that every Western Australian is interested in that, and this Parliament should be debating and addressing the impact of that upon the lives of Western Australians and on Australians generally. What do we see? We see a Government coming in saying, "We will sit for three weeks at most", giving us clear notice that it is going to steamroll matters through this House without proper debate and without complying with the normal procedures.

Mr Pearce interjected.

Mr MacKINNON: Mr Speaker, we feel very strongly about those matters. We will not be pushed around. We want to make sure that our point of view is heard, and it will be.

Mr Hassell: We should make sure that the record shows what the Leader of the House said: We will get as much time as we require.

Mr Pearce: We will not guillotine Bills.

Mr MacKINNON: Which Bills?

Mr Pearce: Any Bill presented in this session. The Leader of the Opposition is a rampant hypocrite. When I was elected in February 1977 I could not get into Parliament to discuss anything until the following August.

Mr MacKINNON: All that members opposite can ever do is look backwards rather than forwards. We are looking at how this Parliament should be operating in 1988-89, not how it operated in 1977.

Mr Pearce: We had to change the system to make this sitting possible. A previous Liberal Government Premier was given Supply six months after spending the money. That was a disgraceful situation.

Mr MacKINNON: The first and most important test of accountability this Government will face will be how it handles the investment in the petrochemical project. I remind members of last year's events. A payment of \$400 million was made to Rothwells as part of a rescue attempt which failed. As part of that blue sky payment the Government of Western Australia contributed \$175 million and the Bond Corporation contributed \$225 million - a round robin effect with \$350 million ending up back in Rothwells' pocket. We saw \$400 million paid out for nothing.

When the Deputy Premier responds, perhaps he could indicate what the National Companies and Securities Commission interim report into Rothwells contains regarding the PICL project valuation. What does that report say about the \$400 million payment?

Mr Parker: The report has not been released. I have not seen it.

Mr MacKINNON: Does the Deputy Premier not know what the report says?

Mr Parker: I do not know.

Mr Court: I would bet that the Deputy Premier has read the report from front to back. He could tell us what appears at the middle of page four.

Mr MacKINNON: Yes. The report makes comment on that valuation and says that the \$400 million valuation was not real; it was trumped up.

Mr Parker: Is the Deputy Leader of the Opposition saying that he has read the report?

Mr MacKINNON: No.

Mr Parker: Then how can you make that comment if you have not read the report?

Mr MacKINNON: That is what the report clearly indicates. Press reports have been made left, right and centre. As the Premier said yesterday, a television journalist in this town has been sprouting information every other day. Perhaps the Deputy Premier has not been listening; perhaps he has been too busy doing other things.

The first fact established was that \$400 million was paid for blue sky, and the NCSC seriously questions that valuation.

Mr Court: And 12 months before that, \$150 000 was paid for the same thing.

Mr MacKINNON: Exactly. The taxpayers of Western Australia contributed \$175 million.

The second fact which came out of last year's events - and of which the Government needs to be reminded - relates to funding. The Deputy Premier should be reminded of his comments on 11 October 1988 when explaining funding to Parliament. The explanation reads -

No other agreements exist for future amounts to be paid or loaned to the project. The Government is not intending to underwrite the project. As I have said publicly - it is not absolutely final yet, but all of the indications are that it will be available - 100 per cent non-recourse finance will be available. That amount of non-recourse finance will not only enable the draw down of funds necessary to construct the project over the time that the project will be under construction, but also it will provide for stand-by facilities to ensure that the repayment schedules are sufficiently flexible to allow the project to repay banks and to meet all costs associated with it in those bad years which will flow almost inevitably.

I emphasise the words "no other agreements exist for future amounts to be paid or loaned to the project". However, nine days later, in answer to a question posed by the Deputy Leader of the Opposition, the Premier said -

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

The Government was not taking risks!

Mr Hassell: Except for the \$100 million not mentioned.

Mr MacKINNON: Risks lying on shoulders other than the Government's!

Mr Pearce: Is this an action replay of last session? This is history. Are we having a rerun of 1988?

Mr MacKINNON: In October the Deputy Premier indicated that the non-recourse finance would be available and he expected the negotiations to be successfully concluded over the next three months.

Mr Court: When is the three months up?

Mr MacKINNON: On 11 October last year - some time ago.

I have outlined the facts. The Government has committed itself to a project, indicating that funding will be on a non-recourse basis and that no other agreement exists for future amounts to be paid to the project. The Deputy Premier used those words.

What are the facts? Mr Speaker, I remind members that almost every fact has been gleaned either by the Opposition or a member of the media. The facts have not voluntarily been disclosed by the Government.

Mr Parker: That is not true. Corporate returns were lodged at the Corporate Affairs Department.



Mr MacKINNON: I thank the Deputy Premier for his interjections. The documents referred to and available on the public record in fact were signed on 26 January - the Monday before the election. No comment was made publicly about the \$120 million; that information was lodged with the National Companies and Securities Commission on 6 February - the Monday after the election. Carol Simmonds, an alert journalist employed by *The Australian*, found that out. She searched the records and then released the information to the public. The Deputy Premier did not make any announcement.

Mr Parker: The information is released by the lodgment of returns at the Corporate Affairs Department; it is on the public record at that office.

Mr MacKINNON: The Deputy Premier did not have the gumption before the election to make that public. Why was this information not made public on 26 January?

Mr Parker: Does the Leader of the Opposition suggest we should have made a Press announcement?

Several members interjected.

Mr Court: For \$100 million, yes!

Mr Parker: We put the information on the public record.

Mr MacKINNON: With the Deputy Premier's style of Government, when a \$120 million loan deal is concluded no announcement is made; people should go to the public record - if lodgments have been made - to seek information. The Government will not be accountable to the people; it will not tell people what it intends to do - particularly five days before an election. The Government will make information available just after an election but not before, that is how accountable the Deputy Premier is. Documentation was signed on 26 January, but a few days before that the Opposition indicated it had documentation showing the Government was seeking loans of \$55 million, so the Deputy Premier had to admit that. The Deputy Premier did not tell us, even at that time when he was talking to the journalists about the \$55 million, that the ink had not even dried on his signature to a deal for \$120 million. He kept it secret. That is this Government's form.

The second point is that that loan is guaranteed by the Government of Western Australia.

Mr Parker: It is a loan to WA Government Holdings.

Mr MacKINNON: Which the Government has guaranteed.

Mr Parker: WA Government Holdings does not have any capacity to borrow except, as every other Government agency has -

Mr MacKINNON: With a Government guarantee.

Mr Parker: But we didn't guarantee PICL.

Mr MacKINNON: This is the second major revelation. The Government guaranteed this \$120 million, and the first time it acknowledged this guarantee was just then.

Mr Parker: What absolute nonsense.

Mr MacKINNON: That has not been made public.

Mr Parker: WA Government Holdings cannot borrow one cent without the backing of the Government.

Mr MacKINNON: Why not?

Mr Parker: Because it is a Government owned corporation.

Mr MacKINNON: WA Government Holdings can borrow whatever it likes. It is a company. The only thing that precludes it from borrowing money is its lack of security. It has no asset against which to secure funds. The only way in which a loan will be secured is with a Government guarantee. The WA Government Holdings' loan was guaranteed. Is every loan of the State Government Insurance Commission guaranteed by the Government?

Mr Parker: No.

Mr MacKINNON: No. Exactly.

Mr Parker: But every loan of the SEC is, and every loan of the R & I Bank is.

Mr MacKINNON: WA Government Holdings has a \$120 million loan guaranteed by the Government of Western Australia and the Government did not even tell the people of Western Australia. Until just two minutes ago that fact was not public knowledge.

Mr Parker: What nonsense.

Mr MacKINNON: Mr Speaker, I remind you and the Deputy Premier what the Deputy Premier said on 11 October -

No other agreements exist for future amounts to be paid or loaned to the project. The Government is not intending to underwrite the project.

The taxpayers are now guaranteeing \$120 million in underwriting, which was agreed in secret.

Mr Parker: There is no guarantee to the project at all.

Mr MacKINNON: Let us have a look at the convoluted logic. The State Government of Western Australia guaranteed a loan to WA Government Holdings, which then went to PICL, but the Government said, "We are not underwriting the PICL project." On what is the loan secured? It is secured, supposedly, on the assets.

We have now established these facts: Firstly, a \$120 million loan was entered into secretly, with no public announcement. The Deputy Premier has now indicated that there will be no such announcements and it will be up to us to find out such things. Secondly, the guarantee was entered into secretly and was not disclosed until today. Thirdly, regarding the terms of the agreement we have the revelation in the article by Carol Simmonds which stated -

However, Mr Parker said there was a time limit on the interim funding - December 1989 -

Perhaps the Deputy Premier will be good enough to tell us now when this does expire.

Mr Parker: You have got some questions on the Notice Paper and you will be getting your answers this afternoon.

Mr MacKINNON: Why can the Deputy Premier not tell us now? We are having a debate on the issue.

Mr Parker: You have questions on the Notice Paper and you will be getting the answers this afternoon, don't you worry.

Mr MacKINNON: This shows just how accountable the Government is. We will not get any answers this afternoon.

An Opposition member: A new era of accountability.

Mr MacKINNON: Where have I heard that before? Those words are ringing in my ears - a new era of accountability - and the Deputy Premier sits in his place and will not tell us.

Several members interjected.

The SPEAKER: Order!

Mr MacKINNON: Perhaps the Deputy Premier will tell me when this agreement was entered into. When was this deal that expires in December 1989 concluded?

Mr Parker: What are you talking about?

Mr MacKINNON: The deal about which the Deputy Premier has told me he will give me these answers this afternoon.

Mr Parker: I am telling you that there were two questions from two separate members of the Opposition on the Notice Paper for this afternoon, for which I have just approved the answers, which deal with the issue of when the project finance will be in place in order that this amount can be repaid. What you have got here -

Mr MacKINNON: That is not the question I asked. I asked: When does this agreement expire?

Mr Parker: Do you want me to answer the question or not?

Mr MacKINNON: The Deputy Premier is not even talking about the question.

Mr Parker: Petrochemicals Industries Co Ltd is, at the moment, a borrower from WA Government Holdings. That is point number one. Point number two is that PICL will ultimately be a borrower from a variety of banks through a project loan facility - both a long term and an interim facility -

Mr Hassell: Which you will guarantee.

Mr Parker: No. There is a question about that on the Notice Paper as well which you will see the answer to. When PICL obtains its funds from the bankers it will then repay the loan which it has borrowed from WA Government Holdings Ltd.

Mr MacKINNON: The article states -

However, Mr Parker said there was a time limit on the interim funding - December 1989 - and that if the final bank finance was not in place by then -

And that is a distinct possibility unless the Government guarantees it -

- the interim line of credit would collapse and the Government would take over the project.

Mr Parker: I don't think there is any suggestion that it will be other than -

Mr MacKINNON: What is the time limit on the Government's extension of these funds to the PICL project by WA Government Holdings?

Mr Parker: I don't remember that precise article, but if it says -

Mr MacKINNON: I asked the question: What is the time limit on the extension of the finance through Western Australian Government Holdings to the PICL project?

Mr Parker: If it says it is December 1989 -

Mr MacKINNON: What is the time limit?

Mr Parker: If that article said it is December 1989, and in the absence of any information to the contrary - and I can't remember the detail of the article but, as you say, Carol Simmonds is a -

Several members interjected.

Mr Clarko: You look guilty.

Mr Parker: I am not looking at all guilty, I am trying to get a word in edgeways. Carol Simmonds is a decent journalist -

Mr Clarko: You look very uncomfortable.

Mr Parker: I am not looking in the slightest bit uncomfortable. I am trying to answer the question, but I keep getting interrupted.

Mr MacKINNON: Mr Speaker, on a major issue the Deputy Premier has a convenient lapse of memory and is unable to tell us exactly when this agreement expires and will not tell me when he entered into it. I ask the Deputy Premier: When was it entered into and with whom?

Mr Parker: I can't remember off the top of my head precisely when an agreement was entered into. What I was -

Mr MacKINNON: Mr Speaker -

Mr Parker: Do you want me to answer or not? What I was trying to say, except I kept getting interrupted by the member for Marmion, was that if I said to Miss Simmonds that the agreement was to expire in December 1989, that is probably the position. I will get you the accurate information as soon as I can.

Mr MacKINNON: Who is the agreement with?

Mr Parker: With Petrochemical Industries Co Ltd.

Mr MacKINNON: By whom?

Mr Parker: By WA Government Holdings.

Mr Court: How can we believe you, because earlier you said three months -

Mr MacKINNON: Exactly.

Mr Court: - and three months becomes December 1989?

Mr MacKINNON: No, what the Deputy Premier said was -

No other agreements exist for future amounts to be paid or loaned . . . The Government is not intending to underwrite the project.

Now we have the situation where the Deputy Premier conveniently cannot remember exactly when this limit expires, but he has entered into an agreement to extend a loan and secretly guarantee \$120 million to WA Government Holdings - in other words, the PICL project. We then had the fatuous comment, "But don't worry, all this money is fully secured. We have taken a charge over all of the assets of PICL." What assets?

Several members interjected.

Mr Parker: And the Bond Corporation equity in PICL.

Mr MacKINNON: Mr Speaker, this is called a blue sky mortgage.

The SPEAKER: Order! Members, this debate will unquestionably attract interjections and I have no intention of asking those to cease. What I want members to bear in mind is that the Hansard reporters have the task of taking down this debate and the interjections. It is extremely difficult at this time, and has been for a period of time, for Hansard to even hear the person delivering the speech let alone the multitudinous interjections. What I would ask is that when you do interject you pause for an appropriate time, rather than try to shout over the person on his or her feet - and then only individually. This constant succession of three or four members interjecting at the same time is really not acceptable.

Mr MacKINNON: Thank you, Mr Speaker. Looking at the Government's first major test of accountability relating to the PICL project one sees that a loan agreement was concluded secretly and was guaranteed by the Government in secret without the Deputy Premier being able to inform the House when it expires. This is despite the Government's giving a commitment in October 1988 that it did not intend to underwrite the project in any way. The project loan was secured on virtually nothing: it is a blue sky mortgage. The Deputy Premier cannot tell us when the loan was concluded, or by whom. On that fact alone the Government has failed its first test.

Let us look at what is happening with that \$120 million. It is a fact that \$50 million has already been paid out to date. Does the Deputy Premier dispute that?

Mr Parker: It is something less than \$50 million.

Mr MacKINNON: Around about \$50 million. According to the cash flow sheet, which fell off the back of the proverbial truck to the Opposition during the election campaign, the figure that would have been expended in November in round terms was \$14 million; in December, \$15.5 million; in January, \$7.3 million; in February it was \$8.8 million; and in March the figure was \$9.5 million. That is nearly \$50 million in round terms. That cash flow was paid for by the taxpayers of Western Australia. Before I go on and I ask the question again of the Deputy Premier, I remind him and the House of what I said right at the beginning of my speech that the taxpayer has, roughly, a 44 per cent interest in the project and the Bond Corporation has a 56 per cent interest.

Mr Parker: The Bond Corporation has 49 per cent.

Mr MacKINNON: Bond with 49 per cent and its partner making up the rest. The Government has a minority interest. In relation to the other partners in the project the question remains: What, if anything, have they contributed to the project to date? Have they contributed anything in monetary terms? The answer is nil. One group, the minority interest holder which is the Government of Western Australia, has contributed it all.

Mr Parker: All of the money has been borrowed by Petrochemical Industries Co Ltd from WA Government Holdings.

Mr MacKINNON: It has been guaranteed by the taxpayers. Let us have a look at what the cash flow sheet states up to the end of June. It gives the total projections for the project and gives the management fee as \$64.5 million. Also, it has another line with a heading of "Management Fee" with a cost of \$29 million. Therefore, the total project management fee

is \$93.5 million and a total projected cost of \$893 million. I ask the Deputy Premier who, in fact, is the project manager?

Mr Parker: The project manager is the Bond Corporation. We said that last October.

Mr MacKINNON: So, we have a line item which says "project management" with a total fee of \$64.5 million and another line that states "management fee"; who does that apply to?

Mr Parker: They are two separate issues. There is the employment of the Bond Corporation as the overall project coordinator and manager and there is a fee to be paid to what is known as the technical services consultants, such as Foster and Wheeler, who will be involved in the detailed engineering work subject to the overall authority of the project manager. I cannot remember to which line you refer because I do not have the document, but the technical services manager and all of those figures on that issue come within the overall budget which was repeatedly announced, but the technical services managers of the various aspects of the project will be paid a larger amount of the money.

Mr MacKINNON: And they come under the control of the project manager, which is the Bond Corporation which will take off, as part of that, a management fee. This will be separate to its overall management fee.

Mr Parker: No!

Mr MacKINNON: What we have here is a management fee of \$29 million, which was released through the election campaign, and the project management fee of \$64 million. In other words, the \$93.5 million is the project management fee on a project costing \$893 million. We were told that the project management fee would be between three and five per cent. It does not matter whether it is Bond or anybody else at this stage. The project management fee was projected to be between three and five per cent, but what we are seeing is a project management fee, split between Bond and others, of \$93.5 million which is in excess of 10 per cent of the budget.

Mr Parker: They are two separate issues. You asked me what the Bond Corporation's fee was. You are being dishonest.

Mr MacKINNON: The figure of \$93.5 million will be paid to the Bond Corporation. Let me speak for a minute, Mr Deputy Premier.

Mr Parker: That is not true!

Mr MacKINNON: The Deputy Premier admitted that himself.

Mr Parker: It is not true.

Mr MacKINNON: The Deputy Premier should settle down, he is getting red in the face.

Mr Parker: You are lying to the Parliament and that is why I am getting upset!

Mr MacKINNON: Some of that money will go to people like Foster and Wheeler, it says so in the cash flow sheet, but \$23 million will be spent on salaries, project personnel and matters like that. Matters like that, included in the \$64 million, will, in fact, go to the Bond Corporation. Silence from the Government benches.

Mr Parker: That is not true either.

Mr MacKINNON: It is a fact that the Bond Corporation will get the \$29 million management fee overall, but Bond will also take a significant slice of the \$64.5 million put aside for the project. The important point to date is that, of the \$100 million put aside, \$11 million has come out so that the Bond Corporation and others are getting the money. Who is paying them?

Mr Parker: PICL is paying them.

Mr MacKINNON: Who has PICL borrowed the money from? It is WA Government Holdings.

Mr Parker: Yes.

Mr MacKINNON: So, it is borrowed from the taxpayers. It is only the minor partner in the project that is making any payment. The other partner, the major partner, is taking out the money and is taking a healthy retainer. That is a fact, Mr Speaker.

Mr Parker: Fifty six per cent of the loans, if you take the equity position, have been borrowed by the Bond Corporation.

Mr Hassell: Bond is taking no risk whatsoever. The taxpayer is putting the money in and Bond is taking out the money, and that is the simple truth.

Mr MacKINNON: I amplify what the Deputy Premier said in a prepared answer to a question on 13 October, 1988. He stated -

WAGH is advised by technical consultants that the various elements of technology used in the plant are of well proven design and that similar plants have been regularly completed within scheduled construction periods. Project site management will be undertaken by Bond Corporation with specialised support from technically qualified chemical plant builders.

Therefore, what I said applies as that project management fee will be paid to the Bond Corporation. The documents prove that the big part of what is titled "Salaries, Office Cos.s, Etc" will be paid to Bond Corporation. It is not \$29 million that it is getting, it will receive a substantial share of the much bigger figure. The bottom line is that it is the taxpayer who is making the payments.

Mr Parker: That is not true.

Mr MacKINNON: The other partner is not making a contribution; not one dollar.

Let us see how dinkum this Government is in terms of accountability by turning to the report of the Burt Commission on Accountability. On page 74 there is a reference to the Commission's attempt to find the truth about the petrochemical project. So, not only did the Opposition attempt to find out the truth, but so did the Government's own commission.

Reference is made to WA Government Holdings on page 74 of the report as follows -

If this is so, then it can be said, in practical terms, that no criterion of accountability as outlined earlier in this report has been satisfied and that no mechanism exists to achieve public scrutiny.

Mr Parker: Why do you think we are introducing the legislation?

Mr MacKINNON: I will come to that in a moment. The report continues -

This is compounded in the instant case by the terms of an agreement called "A Deed of Undertaking" - which the Commission is told the company has entered into with PICL and which contains "confidentiality provisions". These provisions, it is said, contractually bind the company so as to prevent it from disclosing the terms of, or the effect of, the Deed of Undertaking to any person without the approval of PICL and this approval is not forthcoming so this Commission, acting upon the authority of the Premier, who is also the company's sole shareholder in his capacity as Treasurer, cannot be told what the Deed contains.

That raises a series of questions.

Mr Parker: Wait until you see the legislation.

Mr MacKINNON: Is the Minister saying that the deed of undertaking will change under the legislation?

Mr Parker: Wait until you see the legislation. That sort of thing is specifically provided for in the legislation.

Mr MacKINNON: As I have said publicly many times, I will be prepared to look at that and judge the Minister on the performance of it. Again I ask the Minister: Who are the partners in PICL? They are Bond and the Government. Why did they refuse access to that document by the Burt Commission? Perhaps it was because there was an election in the air. The Government is a shareholder with Bond Corporation. Is the Minister telling me that Bond refused to disclose the information?

Mr Parker: I am telling you that the matter is covered in the legislation that I will introduce this afternoon.

Mr MacKINNON: The Deputy Premier is saying that Bond and the Government refused access to that document by the Commission of Accountability which it had obviously requested. Because the Commission wanted to comment on it, access was denied.

As I said earlier, the State Government Insurance Commission does not have all of its loans guaranteed. The Deputy Premier tried to draw that red herring across the trail by saying all Government agencies do. Rubbish! That is not true. Some loans may be guaranteed, but not all of them. The introduction of a Bill in this Parliament and the setting up of a statutory authority does not alter one iota of WA Inc. I remind members that the State Government Insurance Commission is accountable to the Parliament through the Deputy Premier. That did not stop it and still does not stop it dealing with big WA Inc investments. That has not stopped this Government hiding behind the cloak of commercial confidentiality which is its trite and well worn reason for its not answering questions. The matter of accountability rests firmly on the shoulders of Ministers opposite and what they are prepared to say to the Parliament and to the people. As I indicated earlier in relation to this project, every time the test has been faced, whether it was on the loan and the detail of that document, on the guarantee, on the detail of the loan, or on Bond Corporation's payments, the Government has failed. Those matters were not disclosed by the Government, but by the Opposition. It has also failed with the Commission of Accountability by refusing it access to the document.

I do not want the Government to believe that the introduction of the legislation will get it off the hook. The people of Western Australia should not be fooled by the Government's rhetoric that WA Inc is dead when the truth is that it is alive and well. It is being categorically and unequivocally supported by the taxpayers of Western Australia in its dealings in the PICL project and not by anybody else. What risk is there for Mr Bond? None. The taxpayers are accepting all the risk and if our information is correct, the Government will have extreme difficulty in ever meeting a commitment of non-recourse finance. I predict that it will not get non-recourse finance unless a guarantee is provided by the Government. However, with the Government's performance, particularly in relation to the National Australia Bank, I am not sure that even this Government's guarantee will be sufficient to rescue that commitment.

Before I move an amendment to the Address-in-Reply, I remind the House again of the Deputy Premier's words last October. He said -

No other agreement exists for future amounts to be paid or loaned to the project. The Government is not intending to underwrite the project.

What a load of poppycock! What a monumental deception of the Parliament and the people of Western Australia!

*Amendment to Motion*

I therefore move to add to the Address-in-Reply the following -

but the Parliament regrets to advise Your Excellency that the State Government has still failed to inform the people of Western Australia as to the full extent and value of its investment in and support of the Kwinana petrochemical project and specifically -

- (a) the full extent and nature of the Government's loan undertakings to the project;
- (b) how \$175 million of taxpayers' funds purchased no assets and was used in an unsuccessful attempt to prop up Rothwells;
- (c) why it has been necessary for the State Government to fund all of the loan funds expended on the project to date, despite the fact that it is the minority shareholder in the project;
- (d) any detail of its agreement to provide these funds which reportedly expires in December of 1989; and
- (e) failing to allow the Burt Commission on Accountability access to information which would have enabled it to report on these matters to the people of Western Australia.

**MR COURT** (Nedlands - Deputy Leader of the Opposition) [12.07 pm]: I second the motion. The Government's continuing involvement in this petrochemical project is a scandal. WA Inc is alive and well. All of the Government's talk about its getting out of business is absolute nonsense. That will be proved by the introduction of legislation this afternoon which will allow for the continuing involvement of the Government in this project.

As I said many times before the election, the Government's involvement in this project has been a great confidence trick. Unless certain actions are taken immediately by this Government, this State will have to bear a huge financial burden which will continue to damage its financial reputation.

Mr Lewis: It will make the National Safety Council fiasco look insignificant.

Mr COURT: It will. Who is attempting to ensure that the Government's money is being spent correctly?

Mr Bradshaw: Kevin Edwards.

Mr COURT: Kevin Edwards has gone. Who is doing it now? The Government knows nothing about petrochemical industries. It does not have the expertise. That is not its business, but it has become a major equity participant by allowing taxpayers' money to be used in the project and it does not have control over that money. The deed of undertaking referred to in the Burt Commission's report makes it clear that the project people can deny even a Minister information about that project. I believe it is important that new members sitting opposite should learn about what is happening. The Leader of the House said that this is last year's story. It is not; this matter is very current because the situation is deteriorating minute by minute.

An amount of \$175 million has been paid for absolutely nothing and the Government cannot explain why it became involved in the project. Members opposite, particularly the new members, must realise that not one dollar of the \$175 million has been used for the petrochemical project; it went into Rothwells Ltd as part of a bungled attempt by the Government to bail it out of its trouble. We read in the newspaper that Rothwells went bad and that it hopes to be able to repay its depositors 66¢ in the dollar, after \$175 million of taxpayers' money went into that operation.

Mr Acting Speaker (Dr Gallop) - I take this opportunity to congratulate you on being appointed Deputy Chairman of Committees - the one thing that has come out of this exercise is that we cannot believe anything these people opposite say.

We have a situation where a representative from the National Australia Bank Ltd was reported in the Press the other day as having said that the Deputy Premier assured the bank that his officers had completed a full review of Rothwells' assets and that Rothwells was viable with substantial assets.

Mr Parker: That is not true.

Mr COURT: The Deputy Premier denies saying that, but it is reported that he said that on 7 October last year. I will give an indication to the House of what the Deputy Premier said when he was trying to justify the project and the fact that the Government had poured money into Rothwells. On 7 October on the Howard Sattler show the Deputy Premier was asked -

One of the reasons you got involved in the Rothwells Bank rescue, and became the financier of the last resort, if I can put it that way, everything went bad - there was the Government at the end of the day with \$150m prepared to put in there - does that make Rothwells itself now again shaky because you are not behind it?

The Deputy Premier replied as follows -

No, not at all, because at the time Rothwells needed that security and that support. What has happened is that Rothwells has become such a strong company now, as a result of the restructuring its done itself and its various shareholders meetings that have approved all sorts of things, that it can stand without Government support, and we of course, now, are free to put our money and our exposure in something that is going to create new jobs for WA. In other words, we have stabilised a situation, without cost to the taxpayer, that enables that financial institution to go on doing things that it does best, without our involvement. On the other hand, we are now in a major new project which is going to create 1700 jobs directly in the next 2 or 3 years and 400-500 permanently after that.

That is what the Deputy Premier said on 7 October, yet four weeks later he said -

One would have to have been blind, deaf, illiterate and living in some foreign country not to go to Rothwells in the last few weeks after the guarantee was withdrawn. One



would have not to have known what was going on in the world not to take one's money straight out.

What a damnation that is coming from the Deputy Premier who was at that time the Minister for Economic Development and Trade. He made that comment when he was making sure that \$15 million was being paid by the State Energy Commission to Western Collieries and that there was a \$6 million facility from the R & I Bank to help back up Rothwells. The Premier approved a further \$12.5 million from the State Government Insurance Commission to Rothwells - all this happened only days before the Rothwells' collapse. It illustrates the sort of people we are dealing with and the new members opposite should understand that over the last couple of years the Opposition has been exposing the way the Government has been doing business. We have a Premier and a Deputy Premier who have been in the thick of these deals and the biggest deal of all - the petrochemical deal - is still taking place.

Mr MacKinnon: They should not say the first thing that comes into their minds.

Mr COURT: That is right. The Leader of the Opposition said that we were given assurances that there would be non-recourse finance for this project.

Mr Grill: We have heard this diatribe before.

Mr COURT: But do members realise that the Deputy Premier never said in this House that there would be interim finance available until Opposition members dragged it out of him during questions without notice. It was not mentioned once and on 25 November -

Mr Parker: How do you give information to the House? You give it in response to questions!

Mr COURT: I will come to that. On 25 November last year the Government finally said that there would be \$20 million in interim financing. It was reported in the Press as follows -

A Government spokesman said last night that WAGH would spend "approaching \$20 million in the course of construction on engineering design, equipment supply and initial site work over the next three months".

Further on the article stated -

He said WAGH already had an established overdraft facility.

Members can bet that it has. What it has is an unlimited guarantee from the Government as part of the Northern Mining legislation which went through this Parliament. During the election campaign the Leader of the Opposition raised the fact that the guarantee had been increased to \$55 million and finally the Government admitted that was the case. We now find that the Government guarantee has increased to \$120 million and the Deputy Premier asks, "What do you want us to do? Put out a Press release on the subject?" I would have thought that the expenditure of \$100 million in the petrochemical project -

Mr Parker: It is not expenditure of \$100 million.

Mr COURT: It is a Government guarantee loan to that project.

Mr Parker: That is not true.

Mr COURT: The Deputy Premier has misled the House because he said that the project would be financed with non-recourse finance. Is the Deputy Premier saying that it is not a Government guaranteed loan?

Mr Parker: I am saying that it is not a Government guaranteed loan to the PICL project. I went through that with the Leader of the Opposition.

Mr COURT: I will read what former Chief Justice Burt said on page 73 of his report to the Premier on the Commission of Accountability -

It will be observed from the company's involvement in PICL that the liability of the company under the debentures taken up by the State Government Insurance Commission, which was the source of the moneys obtained by the company and used by it in the acquisition of a 43.75% equity in PICL, has been guaranteed by the Treasurer. This guarantee is said to be entered into by the Treasurer "pursuant to section 5(1)" of the Act so exposing the Consolidated Revenue Fund to the contingent

liability to pay out any moneys required by the Treasurer for fulfilling the guarantee - section 5(2)(a) of the Act.

The report spells out what the guarantee is when Western Australian Government Holdings borrowed money and put it into the petrochemical project. It is directly tied back to the Consolidated Revenue Fund.

Mr Parker: Western Australian Government Holdings is borrowing money and there is no question about that. That is one aspect. It is then acting as a lender to the PICL project and PICL is borrowing its money from Western Australian Government Holdings.

Mr Lewis: It is a round robin.

Mr COURT: It is borrowing money after the Deputy Premier said that the Government would not be providing guaranteed finance.

Mr Parker: It has not and it will not. I also said that the Government would be responsible for the provision of interim finance.

Mr Lewis: When did you say that?

Mr Parker: In November and well before the election campaign.

Mr COURT: The Deputy Premier said nothing about interim finance. I want to make it clear to the House that when the Deputy Premier stood in this House and gave an explanation about why the Government was involving itself in the petrochemical project he did not mention anything about interim finance. He said that the whole project would involve non-recourse finance which means that the money would be borrowed against the project and not against any Government guarantees. It was not until a month later when the member for Cottesloe asked a question in this House that the Deputy Premier spoke about interim finance. He had never mentioned it prior to that occasion. Now we know what has happened.

Mr Parker: I have also commented publicly about this.

Mr COURT: The Deputy Premier has got himself into a very difficult situation because of the arrangements that have been made with PICL. The Government is also in a difficult situation because of the deed of undertaking and the commitments to Bond Corporation.

For the sake of the Leader of the House, let us talk about what is happening right now with this project. The Government has not told us anything either in this House or through the Press about the current status of this project. The Opposition was recently told that work had stopped on the project; that the Japanese interest had ordered work to stop with the result that people were being laid off.

Mr Parker: You were told wrong.

Mr COURT: We were given that information by the people who had been laid off.

Mr Parker: Nonsense. No-one has been laid off. The cycle of the project probably requires that people will come and go on the work force, but work has not stopped on the project.

Mr COURT: The Minister said that the project would be finished in 1991; how about telling us when the project will start? The Government said that it would all happen in December. The Opposition would like to know what size the project will be. Have any changes been made? Certainly some delay has occurred on this project. Is the Government trying to do deals?

Mr Parker: Of course there have been delays; the biggest delay was occasioned by the election campaign and the Opposition's comments that it would scuttle the project. That naturally made everybody decide to sit on their hands until the outcome of the election was known.

Mr COURT: The Liberal Party made it very clear before the election that it did not want to be part of this dirty, scandalous, confidence trick, in which the Government had involved the taxpayers of this State. At this very moment it could be in the State's best interests to pull out of the project, to cut its losses to the minimum figure, and to approach the private sector which could implement this project without any of this funny business whereby \$400 million has gone into Rothwells. The project stacks up without that \$400 million. The Deputy Premier should not distort the facts.

Mr Parker: You said you would scuttle the project.

Mr COURT: The Opposition in Government would scuttle the project as it is presently set up by the Labor Government with \$400 million of taxpayers' hard-earned money going into it. The Opposition will not be part of that blue sky approach.

Mr Parker: However you want to describe it, that has an impact on people's perception of the project in terms of lenders and others.

Mr COURT: In this State previous Governments have not been involved in dirty deals as this Government has.

Mr Parker: Until the outcome of the election was known delays occurred because one of the major parties with the potential to become the Government had said it wanted to scuttle the deal.

Mr COURT: The Opposition made it clear that if it won Government it would do two things: One was to take the Government out of that project in an orderly manner. That could well have been after it had gained access to the contracts. Even the Burt Commission of Accountability could not gain access to the documents and could not ascertain what was going on. That was clearly indicated in the report. The Opposition would have ascertained the contractual commitments, and would then have taken the Government out of the contract and done everything possible to locate the project in the Pilbara rather than at Kwinana. During the election campaign the Deputy Premier deceitfully stated that it would cost \$300 million to \$400 million to build the necessary infrastructure in the Pilbara for this project.

Mr Parker: That is true.

Mr COURT: That is deceitful because last week a Government Minister said that it would be necessary to build a power plant to handle the project in the metropolitan area: 100 megawatts of power will be needed; therefore, it would not matter whether the project were built in the metropolitan area or in the Pilbara.

Mr Parker: It makes a huge difference.

Mr COURT: Would it not show some vision to build a power station in the Pilbara to service this project and other projects in that area? Similarly the rail system in the Pilbara could be electrified. That sort of scheme should have been considered.

Mr Parker: The cost of production of power in the Pilbara is several times higher than it is in the metropolitan area.

Mr COURT: During the election campaign every possible reason was put forward for industry not being developed in the Pilbara, and the then member for Pilbara supported all the statements made by the Government in that regard. At this moment one of the world's largest LNG projects is coming to completion which proves that developments can take place in the Pilbara, where the gas and salt are readily available. It is commonsense to put this type of project in that area.

From the beginning the Government's involvement in this project has been an absolute scandal. I have listened to the former Premier and the present Premier saying that these WA Inc dealings would return a huge profit to the State, resulting in cuts in taxation which would benefit the working people. Having been in office for a very short time, the Government is now saying it is short of money; it has introduced the Supply Bill and the Treasurer's Advance Authorization Bill relating to additional funds for petrochemical schemes and the like; and it has said it will cut back on Government services. If the Government continues to be involved in this deal, in a business about which it knows nothing, the taxpayers will be worse off. This whole matter has turned sour for the Government. Last night I read some of the questions and debates in *Hansard* on this subject, and the deceit of members opposite is unbelievable. Sooner or later the public will get the message that they cannot believe the statements made by members opposite. The Deputy Premier is now Treasurer and I can assure him that the Opposition will watch his every move very closely because he has proved that his statements on these matters cannot be believed.

MR PARKER (Fremantle - Deputy Premier) [12.28 pm]: The Government opposes this amendment, as one would expect it to, and I shall make a few comments in relation to it and

the speeches made by both the Leader and the Deputy Leader of the Opposition. First, with regard to the comments about the funding and the original arrangements entered into for the purchase of Petrochemical Industries Co Ltd, we spent countless hours last year going through all these issues. Of course, the Opposition then queried publicly - and there was some debate during the election campaign - whether the Government, together with Bond Corporation, had paid an appropriate price for Petrochemical Industries Co Ltd. Of course, different people will have different views on that matter. The Opposition has its point of view which is based on its political position.

Mr MacKinnon: The NCSC has its view.

Mr PARKER: It appears that the Leader of the Opposition has read the report of the NCSC.

Mr MacKinnon: I have not.

Mr PARKER: In that case, I do not know what the Leader of the Opposition is talking about because he is making statements about what is in the report without having read it. Either one thing or the other must be true; they cannot both be true.

Mr MacKinnon: I have read the newspapers.

Mr PARKER: No article to that effect has appeared in the Press. Whether or not the NCSC has commented - and I do not know whether it has - on the value of Petrochemical Industries Co Ltd, it is not within that body's sphere of competence. Its sphere of competence is in relation to corporate legislation, and legislation which attends upon the corporate legislation, which attends upon the regulation of the way in which companies behave in Australia. It has been involved in that area. I do not know what its findings are on its investigation into Rothwells and associated companies, but we will learn that information in due course.

We valued this project on the basis of the information available to us, to the Bond Corporation - the other partner in the project - and to First Boston Corporation. That information is not relevant to the inquiries of the NCSC into Rothwells because that is not within its sphere of competence. If it has made its judgement as to what it considers is the value of the project, which is what the Leader of the Opposition suggests - and I do not know about that - then that was done without the benefit of any of that information, which is not germane to their inquiries. We believe that the project is worth what was paid for it by the partners. Of course, a third partner has since purchased some of the equity of Bond Corporation and paid on exactly the same basis: Mr Merszei, now Chairman of Petrochemical Industries Co Ltd, purchased just over six per cent of the project from the Bond Corporation and paid precisely the same amount as we and Bond Corporation paid in 1988.

Mr Hassell: You know that Bond Corporation wanted to deconsolidate the project. That was a special arrangement.

Mr PARKER: I do not know that. It is certainly true that from the perspective of everybody concerned we did not want to see Petrochemical Industries Co Ltd regarded as a subsidiary of the Bond Corporation; that is certainly the position.

Mr MacKinnon: Why not?

Mr PARKER: Because from the perspective of the Bond Corporation and ourselves as a shareholder in the company it is not in the interests of anybody including ourselves to be a participant in a company which is a subsidiary of the Bond Corporation. We were quite insistent in our discussions with Bond Corporation that it should sell down.

Mr MacKinnon: What is the difference about that?

Several members interjected.

Mr PARKER: Their equity. We will be selling our shares in West Australian Newspapers.

Mr Court: That is what you told us eight months ago.

Mr PARKER: I am telling the House that now, as well.

Mr MacKinnon: Your argument doesn't hold up.

Mr PARKER: We will see. Events will prove the truth of what I am saying on this matter, and on all the other matters that we are talking about today.

Mr Court: The Premier is probably at an editorial meeting of West Australian Newspapers now.

Mr PARKER: The Deputy Leader of the Opposition knows very well that the Premier is opening a gold mine owned by the President of the Liberal Party, John Elliott. The Deputy Leader of the Opposition knows that because the Premier offered him a seat on his plane.

Mr Court: He's probably doing the editorial by radio.

Mr PARKER: Do not talk nonsense!

Mr Court: The Premier of this State had direct access to copywriters at *The West Australian*.

Mr PARKER: The Deputy Leader of the Opposition is insulting the integrity of the journalists and editorial staff of West Australian Newspapers.

Mr Court: You have 20 per cent of the newspaper monopoly.

Mr PARKER: Let us go back over what the Deputy Leader of the Opposition has just said. He said that the Premier was probably at an editorial meeting of *The West Australian* right now. When I pointed out to him that the Premier was on a plane to or from Tuckbianna he said that he, the Premier, must be doing it by telephone or fax machine. The Editor in Chief, the Editor and other senior staff of that paper have made it absolutely 100 per cent clear that there has never been any input by the SGIC, let alone the Premier or other Government agent, into the editorial policy of *The West Australian*.

The Deputy Leader of the Opposition cannot restrain himself; he is like the member for Cottesloe, who could not help himself in the dying days of the election campaign and who undermined his own party's election campaign. I was told by a senior Liberal the other day that the Liberal Party now regards the member for Cottesloe as responsible for the loss of three elections; the 1983 election, when he was the Minister responsible for Job Bank; the 1986 election, when he was Leader of the Opposition; and the 1989 election, when he made the absurd comment in the dying days of the campaign about the donation he claimed the Bond Corporation made to us. What a lot of nonsense!

In relation to accountability I remind the Leader of the Opposition that the member for Cottesloe said that he could not give the source of his information then because it was confidential but that he would give it after the election. It is now six or eight weeks after the election and we still have not heard the source of that fantastic allegation, and we never will because there was no source, and because it was not true. The only sauce involved in this issue is the sauce in which the goose of the member for Cottesloe was cooked. I have been told that the member for Cottesloe is isolated as a faction of one within the parliamentary Liberal Party because of the perception held by his colleagues about the contribution he made to the electoral fortunes of his party, not only just before the recent election but during the past three election campaigns.

Several members interjected.

The DEPUTY SPEAKER: Order! Perhaps now that we have heard a few interjections on interesting matters the Deputy Premier can pass from dealing with sauce to dealing with PICL.

Mr PARKER: The other aspect of the speech made by the Leader of the Opposition relates to the funding requirements of Petrochemical Industries Co Ltd. This is not a debate during which it was envisaged the petrochemical project in all its various refinements would be the principle subject so I do not have all of the paperwork relating to it with me. However, I made it clear to the Parliament before the election that there was an interim financial arrangement in place for the petrochemical project. Anybody who has had anything to do with a major project would know that project financing can take time to achieve and I said at that time that I thought that it would be in March or April, but it has been delayed.

Mr Court: You did not mention it once in your address to the Parliament. It was not until November that you gave an answer to the question.

Mr PARKER: I do not remember whether it was October or November; the important thing is that in terms of accountability, honesty and integrity in relation to this matter I told the Parliament and the public before the election - not after the election - and as soon as possible, that there was an interim finance arrangement in place.

Mr MacKinnon: For \$120 million.

Mr PARKER: I do not know where the Leader of the Opposition got that figure of \$120 million from.

Mr MacKinnon: It is in the documents.

Mr PARKER: It was well known that there was an interim finance facility in place.

Mr Court: It was not known until we disclosed it.

Mr PARKER: Nonsense! It was known to the Parliament and to the public and was the subject of some debate in the context of the election campaign.

Mr Court: After we dragged it out.

Mr PARKER: I will deal with the precise nature of the arrangement that is in place. Apart from the small assets it has which are related to its past history and which are unrelated to this matter - things such as its loan facility from the Diamond Trust and one or two other things that I will be dealing with when the legislation to change it comes before the Parliament later this afternoon - WA Government Holdings has its assets in the petrochemical project. Those assets are fully borrowed against by virtue of the debentures that it has issued.

Mr MacKinnon: What assets?

Mr PARKER: That is the way in which it achieved the \$175 million. In other words, it is not as though there is some surplus of assets over liabilities within WA Government Holdings because the assets it has, and the loans it has in respect to those assets, are equivalents. We have always said that.

Mr Court: The assets in PICL are \$400 million of goodwill!

Mr PARKER: The member keeps talking about goodwill. Mr Rowland from Lonrho has made comments about the assets of Bond Corporation, and he has been writing down the value of every asset, but even he -

Mr Court: I am not worried about Lonrho. Tell us what the assets are.

Mr PARKER: The member is not worried because he does not want to hear this. Lonrho conducted a campaign against Bond Corporation for its own purposes - and I do not want to go into whether that is right or wrong - and wrote down every asset which it could think of to show that in its view Bond Corporation was insolvent, but even Lonrho valued the asset of Bond Corporation in PICL as being about two thirds of what Bond Corporation paid for it. That is the worst possible complexion which can be put on the situation because we can be sure that, if there were a worse one, Lonrho would have used it. The position is that the assets and liabilities equate.

Mr Court: Why not tell us what the assets are.

Mr PARKER: I have already told the member. We have been through this debate a hundred thousand times. The asset of WA Government Holdings is its equity position in Petrochemical Industries Co Ltd, which is a wholly owned company established under the corporate legislation. It is true that the Burt Commission on Accountability criticised its establishment, but we have made no secret of that. The Premier published the report of the Burt commission during the middle of the election campaign, despite its criticism of the way in which the various Government enterprises had been operating, because he had made a commitment to the public to do so. The Burt commission reported on the nature of WA Government Holdings Ltd, the way in which it had been set up, and the use to which it had been put pursuant to the Northern Mining Acquisition Act. The short title of the Bill now with the Parliament reveals that we will be repealing that Act, as recommended by the Burt commission. We have responded to every comment and suggestion made by the Burt commission. The Premier will be introducing legislation in respect of public accountability, and I will be introducing legislation in respect of WA Government Holdings.

WA Government Holdings is a company owned by the Treasurer of the State, and it has, putting aside these minor things, a balance of assets over liabilities. The then Treasurer of this State, the Premier, gave authority for that company to borrow funds. The Treasurer's guarantee was not in relation to the petrochemical project; it was an authority for WA

Government Holdings to borrow funds, such funds to be secured against the Government because WA Government Holdings is an agency of the Government. It may at the moment be an imperfect agency of the Government, but it is nonetheless an agency.

Mr Hassell: It is a company.

Mr PARKER: It is a company owned by the Government.

Mr Hassell: If WA Government Holdings is an agency of the Government, so also is PICL, because they both have shareholders.

Mr PARKER: WA Government Holdings is a wholly owned subsidiary of the Government and, as is the case with most subsidiary companies, the lenders of finance look to the parent company to support that subsidiary company. That in effect means that WA Government Holdings is acting in relation to the \$100 million draw down facility. It is interesting that during the election campaign the Leader of the Opposition tried to suggest that the whole of the \$100 million had been spent, but he acknowledges today that only about \$49 million -

Mr MacKinnon: I did not make any comment about it during the election campaign because you did not make it public.

Mr PARKER: The Leader of the Opposition tried to say there was more money spent. He has now acknowledged that it was about \$49 million. The only clear thing which has come out of this debate is that for the first time the Leader of the Opposition has gone back on the wild statements he made earlier. WA Government Holdings is acting as a banker to PICL for the interim finance, which is precisely what I told this House and the public that it would be doing when I spoke to the House last year.

Mr Court: You did not even mention that. Do not tell untruths in this House.

Mr PARKER: I said it would be responsible for the provision of interim finance.

Mr Court: You did not mention that until we dragged it out of you.

Mr PARKER: I said that in answers to questions.

Mr Court: You never said that. You have misled the House.

The SPEAKER: Order! That is exactly what I cautioned about when I took the opportunity earlier in this debate to rise to my feet. I take this opportunity to mention to the new members that according to Standing Orders it is improper to interject in this place. However, past precedent and practice indicates that is a difficult Standing Order for members to comply with and for a Speaker to ask them to comply with, so I have no intention of doing that. There is a method of interjecting which allows flavour to be added to the debate without making it too difficult for the Hansard reporter or the member on his or her feet, and it is that method which I would ask members to adopt, and not the method which we have just experienced.

Mr PARKER: The money is being loaned to PICL by WA Government Holdings at commercial rates of interest, and it will be repaid to WA Government Holdings when either the interim or the full project finance is in place. The information we have at our disposal, and the negotiations which are being undertaken at this moment, indicate that neither will require a Government guarantee. The worst that one could say about this position - and I have certainly said it - is that the Government is lending money, and there is, as with all such transactions, some element of risk. I talked earlier about the bases upon which we have secured that lending in order to reduce the risk. The lending of money involves the acceptance of some risk; that is what borrowing and lending is all about. We have attempted as best we can to secure that risk, and we have every reason to expect that the money will be repaid during the middle of this year. At that time it will become very clear - and it will become even clearer as the project progresses - that there is no Government money at risk in this project other than the money that is involved in the equity capital of PICL.

MR HASSELL (Cottesloe) [12.48 pm]: The Deputy Premier tried for some weeks during the election campaign, and again in the House today, to escape the charge that he has misled the public and told grave untruths about the financing of the petrochemical project. The truth is, as the public record shows, that for a period of months last year the Government actively promoted the idea that the petrochemical project involved no Government finance, no guarantees and no risk to taxpayers' money.

Let us refer to the article which the Government obviously promoted when the involvement of the Government was announced on 6 October 1988. This is the first article about the arrangement which applied, and which appeared on the front page of *The West Australian* of 7 October 1988 -

State puts \$175 m into petro project.

The \$800 million required to bring the Kwinana site to production stage by the target date of 1991 will be borrowed.

But it will be raised on a "non-recourse" basis and no taxpayers' money will be involved.

The Premier, Mr Dowding, and the Deputy Premier, Mr Parker, released the long-awaited Government financial involvement in the politically sensitive project at a packed news conference yesterday.

That is the starting point. That is when the Government announced its involvement - on 6 October 1988 - and the newspaper published the next day a report which was never denied, never corrected by the Government, and which said in the clearest of terms, because the Premier and the Deputy Premier had said it, "There will be no taxpayer involvement." The Government would pay \$175 million - by the way, the Government previously said it would pay up to \$150 million - to buy its share of Petrochemical Industries Co Ltd, or 43.75 per cent of it, and there would be no taxpayer involvement.

Consider the official media statement of the Premier that day. It is statement No. P88/327 for 6 October 1988. It talks about the Government having completed its appraisal and being prepared to invest \$175 million in the project. It says the Government's decision followed an independent valuation by the well recognised First Boston Corporation of New York.

Where, in the Government's announcement, is there any reference to any arrangement for interim finance to be borne by the taxpayers? The Deputy Premier might have shot out of the House but he cannot escape the record of his own conduct. He cannot escape the record of the Government's conduct. If we go through that statement it talks about work being started, but it gives no information whatsoever about any obligations to the project.

To go on a little further, we asked question after question, because we knew that PICL had no assets; we knew it had no money; we knew PICL would not be able to proceed; we knew Bond Corporation was deconsolidating, which is why it sold off a portion of the project to Mr Merszei. Bond Corporation wanted to get the project out of its consolidated balance sheet, and for one simple reason: The Bond Corporation could not stand the incorporation in its balance sheet of any more liabilities, and PICL would clearly have a lot of liabilities. That is why the Bond Corporation sold off a portion, yet here was the Government continuing to talk about the project going ahead and work being done.

Here is a statement by the Premier, again on 6 October, the day he announced the project and said there would be no taxpayers' money involved. He said, "With the expected completion of the appropriate agreements in the next few weeks, construction work could begin on the site before Christmas."

Mr MacKinnon: He did not say which year.

Mr HASSELL: That, I assume, is because the Government did not know which year. We went on asking question after question in this House. One only has to go through the parliamentary questions for the months of October, November and December of last year to see how many questions were asked; to see how misleading and dishonest the Government was in relation to this question of funding.

On 12 October 1988, a few days after the announcement, the Leader of the Opposition asked the Deputy Premier - in question 1484 -

- (1) When did the First Boston Corporation indicate to the Government that it could obtain loan funds for the PICL project on the basis of 100 per cent non-recourse agreement?
- (2) What commitments have the Government given to PICL or First Boston to ensure such a funding arrangement?



The Deputy Premier, in reply to that specific question about what commitments had been given to First Boston or PICL in relation to funding, said -

- (1) Advice provided since June 1988 was finally confirmed in the report dated 29 September 1988.
- (2) The Government is fully committed to 100 per cent non-recourse financing arrangements.

Mr Court: Which is exactly the opposite to what he has just said.

Mr HASSELL: Exactly. There is the Government in this House being asked what arrangements applied to the PICL project and the funding of it, and the Deputy Premier's reply is that the Government is committed to 100 per cent non-recourse funding arrangements. The Deputy Premier is now saying, "We knew all along we had an obligation to provide interim finance."

Mr Court: They were telling untruths.

Mr HASSELL: Yes, and it is spelt out even more clearly when we look at other questions. In question 1526 on 13 October 1988 I asked a series of 11 questions about the financing of the project. I shall not repeat those questions now in view of the shortage of time in this amendment debate, but all of them went to the financing of the project. In the Deputy Premier's reply there was not one word about interim financing or about WA Government Holdings providing funds.

Mr Court: Or guarantees.

Mr HASSELL: On the second page of the answer to the question, under (6) - financing - this is what the Deputy Premier said -

WAGH is advised by the First Boston Corporation that 100 per cent debt financing can be arranged for PICL with repayments being made from the project cashflows over a period of between eight to 12 years from the plant completion date.

And so it goes on. It said nothing about interim finance. As the Leader of the Opposition has quoted this morning, in question 281 on Thursday, 20 October, the Deputy Leader of the Opposition asked -

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

This was an absolutely specific question as to whether the Government was at risk until the project was completed. This is what the Premier said to the House -

I thought a statement had already been made by the Minister for Economic Development and Trade to the House about the risk during the construction period. My impression, from the Minister for Economic Development and Trade's words, was that it is quite clear that the risk now lies on shoulders other than the Government's.

Mr MacKinnon: That is not what the Deputy Premier said.

Mr HASSELL: It is just hogwash for the Government to suggest it has not misled the House, and it was not until I asked question 1964 on 23 November 1988 that the Premier finally admitted, in answer to the fourth part of the question -

WA Government Holdings Ltd has undertaken to procure interim finance for the project secured by a registered charge over the whole of the assets and undertaking of PICL until project finance is in place, at which time the interim loans will be discharged.

That was on 23 November, some two months after the announcement of the Government's involvement when it said no taxpayers' money would be involved. That was the first occasion on which there was an admission by the Government that it was involved in this project in putting untold millions of dollars of taxpayers' money at risk.

The questions I will deal with after lunch are these: Why is this Government beholden to

Bond Corporation? Why is this Government running the affairs of state to suit Bond Corporation? What is the connection, what is the link, and what is going on? It is still going on and, as has been said by the Leader of the Opposition and the Deputy Leader of the Opposition, WA Inc is in full flight; it is alive and well. I think it is alive and sick, but it is alive, anyway, and it is a sick situation when we have this State run to suit a private corporation and not to suit the interests of the people.

*Sitting suspended from 1.01 to 2.15 pm*

Mr HASSELL: Before the luncheon suspension I was speaking about the extraordinary and unhealthy relationship between this Government and Bond Corporation, in relation to the petrochemical project in particular. Perhaps it is highlighted by an answer which the Deputy Premier gave to a question yesterday from the Deputy Leader of the Opposition when he asked about financing for the project. One of the sentences of the Deputy Premier was that there was a need for the interim financial support for the project "pending the development of the project loan which we are currently negotiating with major bankers." The Deputy Premier was at pains before lunch to say that the Government was not running this project; that Bond Corporation, as the project manager, was running it; and that there was a great separation between Petrochemical Industries Co Ltd and WA Government Holdings; yet the Deputy Premier said yesterday that the Government is negotiating the loan for the petrochemical project. Why is that, Mr Speaker? Perhaps the Deputy Premier could return to the Chamber and tell us what is really going on about this project and why Bond Corporation has this incredible hold over the Government whereby Bond Corporation can get the Government to negotiate loans and to take risks. Bond Corporation is not sharing in those risks. It is a free, carried ride for Bond Corporation. This project ought to be scuttled in the form it is in now. The Minister for Economic Development and Trade said that we wanted to scuttle the project. Of course we want to scuttle the project in its present form, because it is a rotten deal, it is a bad deal, it is a deal that is characterised by extraordinary financial arrangements.

In the few minutes I have left I will put on to the record some very specific questions about this project that have never been answered, quite apart from the broader question of what hold there is by Bond Corporation over this Government and how it is that the Government dances to the tune of Bond Corporation the whole time, in relation to this project if nothing else.

Why are we, the taxpayers, giving Bond Corporation a free, carried ride in the petrochemical project with absolutely no contribution from Bond and nothing at risk except whatever value there might be in the PICL shares which he bought for reasons relating to the financing of Rothwells and the extraction of the Bond moneys out of Rothwells? Let us look at this. In relation to the moneys borrowed by WA Government Holdings for interim finance by PICL the first question is: Why was the borrowing not by PICL itself, especially if, as the Deputy Premier says, Bond has put his assets on the line as security? We know that Bond has not put his assets on the line as security at all - we know that is just another misleading statement by the Deputy Premier. The only things Bond has on the line in relation to the petrochemical project are his shares in Petrochemical Industries Co Ltd, nothing else. There is no general charge against Bond Corporation; there is no guarantee as there is by the taxpayers of this State; there is no supporting backup, even to the extent of his interests in the project. If both major partners in the PICL project - that is, Bond Corporation and the Government - were genuinely involved together in fundraising and not the Government alone through WA Government Holdings, why not use the project vehicle - that is, PICL itself - to raise the finance for it rather than the Government's vehicle - WA Government Holdings - at risk to the taxpayer? Why is this not really a fair partnership at all but a loaded partnership totally in favour of Bond?

The second subsidiary question in relation to the interim financing is: What securities, specifically, other than his holding in PICL, has Bond put up for the interim finance? The Deputy Premier claims Bond has put up security as well as the Government. I believe, Mr Speaker, and nothing has been said by the Deputy Premier to show otherwise, that the only security put up by Bond has been his shares in PICL, which is no security at all and everyone knows it; because if it were security then the interim finance could be borrowed on the security of those shares and not on the basis of a guarantee by the Government. The truth is that there is nothing of value in PICL that will support interim, long term or any other finance and the whole thing is a sham.

The third subsidiary question in relation to the interim finance is: What has the interim finance been used for? Site clearance? We do not know whether that is yet completed and, if the total project finance of \$1.1 billion is only a short time away - and the Deputy Premier has been saying it is only a short time away since last September - why do we need this \$120 million, which started off being \$20 million, then rose to \$55 million and is now \$120 million?

Why is there a continuing need for this interim finance? The second question reads as follows -

2. No bankers, other than First Boston, have ever been quoted as suggesting that 'non-recourse' (no risk to the taxpayers) finance of \$1.1 billion would be available to the project. On what basis does Mr Parker remain confident that such finance will be available, and who has given him advice to that effect?

Before the dinner adjournment the Deputy Premier said that finance would be available. Is he playing with words once again? Is he really saying, "Yes, the finance will be available through WA Government Holdings on the basis of a Government guarantee"? If that is what he is saying, again he has been misleading the public for months on end because it is not non-recourse financing if there is a contingent liability on the part of the Government.

The third question reads as follows -

3. Mr Parker has said that everyone involved with the project is confident that non-recourse finance will be available on Schedule, soon.

However the Chairman of Western Australian Government Holdings did not agree with that proposition and was quoted in *The West Australian* of 24 January as saying that at that time he could not say yes or no on non-recourse finance. The important question is: What if non-recourse finance is not available? Will the Government let the project fall over? Or is the truth of the matter - which we know to be the truth - that this Government is so in hock to Bond Corporation that come what may the taxpayers will have to pick up the tab for this project?

Mr Court: Get the Deputy Premier to answer those questions.

Mr HASSELL: There is no answer to these questions; there never have been any answers. Frankly I think we need a more vigorous media pursuing some of these questions on behalf of the public interest.

The fourth, fifth, and sixth questions read as follows -

4. If non-recourse finance is not available for the project, will the Government give a guarantee, has the Government already given a guarantee or said that it will give a guarantee, and would the Government insist as an absolute condition of any guarantee that its total liability be only proportionate to its interest and that Bond provide security equal to its interest, or will the liability with Bond be joint and several?
5. What is the arrangement with the Bond Corporation, both generally and specifically, if non-recourse finance is not available?
6. Finally, what are the present total commitments, in dollars, of the Government under contracts, agreements or understandings in respect of this project?

The public is entitled to answers to all of those questions and the public is not getting those answers because of secrecy and deviousness on behalf of a Government which has forgotten the public interest and is pursuing the private interests of trying to sort out the muddle it is in and its beholden state to Bond Corporation. It is a sham and this amendment should be adopted by the House.

MR COWAN (Merredin - Leader of the National Party) [2.25 pm]: The National Party supports the amendment moved by the Leader of the Opposition. I listened very carefully to the comments of the Deputy Premier in response to this amendment and I am still waiting for answers to all the questions which have been raised in this amendment.

Very clearly there has not been any revelation of the full extent and nature of the Government's loan undertakings to the project. We all know that WA Government Holdings

has been given a guarantee by the Government to the tune of \$100-plus million and it does not really convey anything new to the Parliament to learn that WA Government Holdings on that basis is the net lender to the PICL project. We know that, but who guaranteed WA Government Holdings? Very clearly the Government did so. One can interpret "Government" to mean the taxpayers of Western Australia. What then happens to the claim of non-recourse borrowing? It is clear to me - unless the Deputy Premier can say otherwise - that this project will have to be constructed using moneys which are guaranteed by the taxpayers of Western Australia right to the stage where the plant is producing material which can be delivered for sale, and then it may be that those guarantees will be retired. However, until that occurs it appears to me that Government guarantees will be necessary to back the finance needed for the construction of that plant.

Mr Parker: That is not right.

Mr COWAN: I hope it is not right because it is something like \$850 million or \$1 billion.

Mr Parker: That is not the correct position. The position I outlined earlier is the correct one, which is that the project loan will come and that even ahead of the project loan there will be an interim loan which should allow the repayment of the WAGH facility.

Mr COWAN: I heard that; I understand it. Can the Deputy Premier give a guarantee that that project loan will not be guaranteed by the Western Australian Government?

Mr Parker: We will not be guaranteeing that project loan. I have actually answered a question on the Notice Paper to that effect this afternoon.

Mr COWAN: I hope the statement made by the Deputy Premier by way of interjection proves to be far more valid than some of the other claims he made in response to questions in this House or statements made by members of the Opposition, and his interjections in reply. On some occasions it has been shown quite clearly that the Deputy Premier was wrong and I would not like him to be wrong in this instance. When one is talking about the financing of the entire PICL project, one is talking about \$850 million to \$1 billion and that is a lot of money. Every member opposite at some stage or other of my career here has denigrated members on this side of the House because of the commitment a Liberal-National Country Party Government once made to finance the North West Shelf gas project to something like the same amount of money.

Mr Parker: Far more in fact.

Mr COWAN: All right, I accept far more. Nevertheless everyone on the Labor Party side of the House has bleated about the involvement of the former Government in that respect, and members opposite can expect to cop a little bit back themselves if what the Deputy Premier says proves to be incorrect.

The next part of the amendment deals with the \$175 million, the claim being that no actual assets were purchased. I would not dispute the precise amount; I do not see any point in quantifying it other than to say that there is absolutely no evidence to suggest that the State Government's share of the petrochemical plant - the 44.75 per cent or whatever it is - is worth anything like \$175 million. Maybe the original proponents of the project deserved to be given some recognition for the original planning and for whatever site works had taken place, but under no circumstances is that worth \$175 million. Everyone in this place - and almost everyone in Western Australia - knows that the \$175 million is undoubtedly tied into retiring the guarantee which the Government offered to the National Australia Bank for Rothwells, and that the real \$175 million valuation given to the PICL plant is inextricably tied to trying to release the \$150 million guarantee. The Government can talk for as long as it likes in denying that but the public has that perception. That notion is not very far from the truth; in fact, it is an accurate perception.

Clearly, this session of Parliament has been designed for two purposes: First, to grant Supply to the Government; secondly, to honour some of the most important commitments the Government has given to the people of Western Australia and on which it was re-elected. We will be dealing with an issue relating to the exemption of stamp duty, together with a matter directly related to the issues listed in this amendment - Government accountability. Until the Government answers accurately and fully the questions raised in the amendment, it has no prospect of ever being regarded as credible and living up to its promise of accountability. No matter how much token legislation is introduced, the truth is that the

Government will be judged on past performances; until the Government reveals to the people of Western Australia what is embodied in these questions it will always be regarded as not being fully accountable. Greater accountability is needed.

One of the reasons the Government was re-elected was because the statement was made that it inherited a situation and that it needed the opportunity to pull itself out of that inherited situation. That is not true. Members do not need to be reminded that the State Government Insurance Commission - a Government agency - invested an enormous amount of money in Rothwells, and that the R & I Bank was instructed to invest in Rothwells.

Mr Parker: Who said that?

Mr COWAN: I am saying that.

Mr Parker: Where is the evidence of that?

Mr COWAN: I cannot procure evidence, but I will put that in another way. I strongly suspect that the SGIC and the R & I Bank were influenced by the Government to place some funds at the disposal of Rothwells. The point I am trying to make is that this Government did not inherit anything. The truth is that this Government exacerbated the situation by using agencies to invest public money in Rothwells. The Government's record of accountability will be nothing but tarnished until it demonstrates very clearly how and why the money was transferred and upon whose instruction that action was taken.

Like everyone else, the National Party will listen with great interest this afternoon when the so-called accountability Bills are introduced. Until the Government answers the five questions raised in the amendment and until it demonstrates clearly that all Government agencies will undertake accurate and responsible reporting to Ministers and to Parliament, it will not be regarded as having moved a step further along the road towards being an accountable Government.

The National Party supports the amendment.

Amendment put and a division taken with the following result -

Ayes (22)			
Mr Ainsworth	Mr House	Mr Nicholls	Dr Turnbull
Mr Court	Mr Kierath	Mr Shave	Mr Watt
Mr Cowan	Mr Lewis	Mr Strickland	Mr Wiese
Mrs Edwardes	Mr MacKinnon	Mr Thompson	Mr Blaikie ( <i>Teller</i> )
Mr Grayden	Mr McNee	Mr Trenorden	
Mr Hassell	Mr Mensaros	Mr Fred Tubby	
Noes (26)			
Dr Alexander	Mr Graham	Mr Marlborough	Mr Taylor
Mrs Beggs	Mr Grill	Mr Parker	Mr Thomas
Mr Bridge	Mrs Henderson	Mr Pearce	Mr Troy
Mr Catania	Mr Gordon Hill	Mr Read	Dr Watson
Mr Cunningham	Mr Kobelke	Mr Ripper	Mrs Buchanan ( <i>Teller</i> )
Mr Donovan	Dr Lawrence	Mr D.L. Smith	
Dr Gallop	Mr Leahy	Mr P.J. Smith	
Pairs			
Ayes		Noes	
Mr Clarko		Mr Peter Dowding	
Mr Bradshaw		Mr Wilson	
Mr Omodei		Mr Carr	
Mr Minson		Mrs Watkins	

Amendment thus negated.

#### *Motion Resumed*

MR AINSWORTH (Roe) [2.40 pm]: Mr Speaker, in taking this opportunity to address the Legislative Assembly for the first time I thank those members from both sides of this House

who have made me so welcome, and who have offered encouragement to me as a new member. My thanks must also be extended to the people of the Roe electorate for giving me the honour and responsibility of representing their interests in Parliament. I am most conscious of the fine record of representation which is enjoyed by the members for Stirling, Eyre and Merredin who so ably serviced the needs of their former electorates, parts of which now make up the seat of Roe. It will be my aim to give service of equal quality to all parts of the electorate, no matter how remote from my home.

In dealing with remoteness, Mr Speaker, it is perhaps opportune to consider the characteristics of the Roe electorate, some of its history and its present and future needs. The Roe electorate is situated in the south east of the State and stretches from Gnowangerup, Lake Grace and Kulin in the west, to Esperance and beyond in the east. It takes in more than 500 kilometres of the south coast and extends inland about 200 kilometres. It is a predominantly rural electorate with fishing, mining and tourism being the other main industries. A large percentage of the farmland has been developed only during the last 30 years, and some of the eastern end as recently as the last 10 years. Because of this there is still a marvellous pioneering spirit among the people and a willingness to work together to provide the facilities so vital for remote communities, yet taken for granted by their urban counterparts.

Included in the Roe electorate are some of the State's largest national parks which, along with the magnificent coastal scenery from Bremer Bay to Esperance, provide part of the great tourist potential for the area. Agricultural production in the Roe electorate has generally been of the more traditional type, ranging from sheep or cattle farms along the coast to wheat and sheep mixed farming inland. In recent years grain legumes have played a bigger part in cropping rotations, and oilseed crops have been tried with mixed success. The fragile nature of some soil types, and the increasing problem of salt encroachment, has seen a reassessment of farming practices in the region.

Land conservation groups have been established over a wide area, and a new integrated approach to land conservation will be launched at Jerramungup in the next few weeks. A new interest in alternative land use is also evident. This includes agroforestry, as well as new fodder crops such as tagasaste. These are all designed to utilise ground water, thus halting a rising water table which has caused salt encroachment, and also to act as windbreaks, thus minimising erosion. The future of our agricultural land is of vital concern to the entire community of this State, and I trust that members of this House will give adequate consideration to funding programs to help halt land degradation. It is essential that the source of so much of this State's wealth - its land - is protected for future generations.

As well as the physical side of agricultural production there is the equally important marketing side. A great deal of the stability enjoyed by the industry, despite seasonal fluctuations, has been because of the organised approach to marketing. The details vary from commodity to commodity but generally the concept of orderly marketing has served the producer well. This is not to say that the system is without flaws, and an ongoing policy of review and improvement is essential. Where flaws are discovered, however, it is not wise to abolish the whole marketing framework just to correct some small deficiencies. That is precisely what is being proposed by the Federal Government regarding wheat marketing. There is no doubt in my mind that a less radical approach would achieve the same aim without jeopardising the entire industry structure. It behoves all members of this House to vigorously oppose the Kerin plan.

Anything which weakens the agricultural industry is detrimental to the whole country. It is worth reflecting on the words of Sir Charles Court in his own maiden speech in 1953 when he said -

We . . . have a lot to thank the primary producer for as far as our present financial position is concerned. Already the writing is on the wall in respect of oversea prices for exported primary products and imported manufactured goods. All the evidence of competition and demands of the nations for reciprocal trade are apparent.

Clearly this situation has not changed greatly, and the strength of a single seller like the Australian Wheat Board competing for overseas markets is of more benefit to producers than a fragmented system. Likewise, there is pressure to abolish acquisition of lamb in this State. I believe there is room within the powers of the WA Meat Commission for sufficient

change - for example, a permit system for export of lamb to Eastern States markets - without abolishing the rest of the system to appease its detractors.

The fishing industry has also followed traditional methods until quite recently. In 1984, with the introduction of quotas, the tuna industry was facing a downturn in the number of boats working and prices were low. As part of the local enterprise initiative scheme Esperance tuna fishermen investigated the prospects for a higher priced market - the Japanese sashimi market - and as a result of this exercise are now able to receive up to \$30 per kilo for tuna as opposed to the 50¢ - 80¢ per kilo previously obtained for canning tuna. I see a good future for the fishing industry along the south coast, but it will depend on three things: The ability of the industry to obtain fair quotas where quotas are necessary; the ability to develop new markets and value added fish products; and the provision of adequate facilities. Much of the product and market development will be wasted if the catch cannot be unloaded and transported quickly to the processing plant. I believe there is a role for this Parliament in ensuring that reasonable assistance is given to the fishing industry to enable it to reach its full potential as a profitable, sustainable industry.

Tourism, as I mentioned earlier, is another area of great potential for further expansion in my electorate. The natural attractions are there in abundance. However, the infrastructure and services provided for tourists need some consideration. Tourist attractions such as the Esperance tanker jetty must be adequately funded to ensure their preservation. Bureaucratic red tape can and does hinder the provision of services to tourists. I believe a review of legislation governing fuel outlet opening times, plus working conditions and overtime in the catering and retail trading industry, are two examples of potential areas of improvement which would benefit the industry. Similarly, Main Roads Department rulings which disallow alternative tourist route signposting if the route is significantly longer, or of lower status, than a main route should be abolished. The responsible removal of constraints on the tourist industry, coupled with even greater promotion, would be of immense benefit to the State as a whole.

The vital ingredient in these three industries, as in all others, is the people, and it is to the needs of the people that I now turn. The Roe electorate is a productive one and has the potential for greater production. However, this will only happen if the services provided to all parts of the electorate are of adequate standard. There is a clear need to improve medical services in many places. Lack of a doctor is always of concern and many towns in Roe have been without a doctor until recent months. Some fear the loss of the doctor they have may not be followed by a quick replacement. A practical incentive scheme to attract doctors to country areas is needed. More status needs to be given to the role of general practitioners, with instruction at medical school in the special role of country GPs. Encouragement is also needed to attract more country medical students. The medical needs of country women are often overlooked. The provision of a mobile cancer screening service for remote areas, staffed by women, would be of enormous benefit.

Country hospitals in Roe also require attention. The current impasse with the Gnowangerup Hospital is causing great concern in the community, and steps to finally resolve the situation must be taken quickly. In other hospitals upgrading work is a high priority. Lake Grace hospital is in need of extra outpatient space, toilet facilities and the replacement of some existing fittings.

The needs of the elderly are of increasing concern in towns such as Esperance, where an expanding retirement age population is placing great pressure on permanent care facilities at the hospital. Alternative accommodation is urgently required to alleviate such problems.

Education opportunities are vital to the entire rural community. These range from preprimary facilities - which are particularly important in communities where children do not have the same opportunity for social interaction as their city counterparts - to secondary and tertiary education. The introduction of the unit curriculum system has caused problems in smaller country high schools, where the range of options has necessarily been limited. I believe a review of this system is required urgently.

Similarly, the changes to the Isolated Children Allowance and the Austudy schemes brought in recently have been detrimental to country students, and, while these are Federal issues, it is important that members of this House lobby their federal colleagues to help overcome the shortcomings of the current arrangements.

The previously scheduled upgrading of primary schools, the high school and high school hostel facilities has been postponed in Esperance. I believe this Government should honour its commitments to these projects by making funds available for their completion this year. This Government must act also on the recommendations of the inquiry into the Country High Schools Hostel Authority to help improve the administration and operation of hostel accommodation.

Because of the size and isolation of my electorate, road transport is vital. The condition of many rural roads has deteriorated and the State fuel taxes raised in country areas have not all gone back to road funding. I believe it is essential that road conditions in country areas are improved by applying all State fuel taxes raised in the country to country road maintenance and construction.

Water supply is another vital concern to all people and the provision of better quality and quantities is essential. Recent problems with Ravensthorpe water quality highlight the need for forward planning and I commend the Minister for Water Resources for his personal assurance to me that the problem in Ravensthorpe will be rectified quickly and permanently. Consideration by the WA Water Authority needs to be given to the maintenance of existing covered dams for livestock water supply before an arbitrary decision is made to discontinue such a service. These dams in the Grass Patch-Salmon Gums area and other parts of the State should be maintained selectively as at present.

I am the second member of the Legislative Assembly to come from Salmon Gums. The first was the late Emil Nulsen who began his career in this House in 1932. I was interested to note in his maiden speech that he promoted the improvement of facilities for his electorate of Kanowna, the major one being the building of a new breakwater at the Port of Esperance. In justifying that need he spoke of the potential of the region's agricultural production and mineral trade through the port. While Esperance now enjoys a land backed wharf with a recently deepened harbour and road conditions which are not as bad as they were in 1932, I believe the same forward thinking needs to be applied to today's planning.

The provision of a road from Lake King through Cascades to Esperance would shorten the distance for grain cartage and personal transport. At the same time, nickel and other minerals in the Forrestonia area could be transported via that road and shipped through the Esperance Port for the benefit of all port users.

The suggestion that such developments must make a profit immediately is ridiculous. If all the development proposals in this State had been treated in the same way there would be precious little development outside the metropolitan area. The needs of the people and of the industries which I have mentioned and of others that I have omitted must be met on the basis that they are an investment in the future of our State. Over 90 per cent of Western Australia's export income is still derived from outside the metropolitan area.

In conclusion, I will seek to represent fairly the needs of my electorate and those of the State. To this end I will support or reject proposals brought before this House on their merits; that is, I will judge any issue on principle rather than on the political affiliation of its proponent.

I thank members for listening to my first address in this House and trust that my time in this place will be both productive and rewarding.

[Applause.]

**MRS EDWARDES (Kingsley) [2.54 pm]:** It gives me great pleasure to be able to speak in this debate as the first member for Kingsley. I take this opportunity to congratulate all new members and other members who have been re-elected. My address will focus fundamentally on two areas: Firstly, a general profile of the Kingsley electorate; and, secondly, the reasons for my entering politics. Before going further, I take this opportunity to thank my family, especially my husband Colin and my eldest son Warren, and to acknowledge the efforts of the many people and organisations who worked so hard and in such a professional and efficient manner to ensure that I would stand in this place today and make this speech.

The Kingsley electorate, previously part of the Joondalup electorate, was established in the 1988 redistribution and encompasses the suburbs of Greenwood, Kingsley, Warwick and Woodvale. The electorate is situated in the northern part of the new North Metropolitan Region and is located within the City of Wanneroo local government area. It is



geographically located between the Freeway, Ocean Reef Road, Wanneroo Road and Beach Road.

Kingsley is a young community with 51.8 per cent of the population being under 24 years and nearly 80 per cent being under 40 years. The 25 to 39 age group is the most predominant - 28.6 per cent - and the under 18 age group represents 45.5 per cent of the population. The 50 year age group - 9.2 per cent - represents less than one half of the metropolitan average of 20.8 per cent.

Australian born persons form the largest proportion of the total population by far with those born in England being the second largest group. Overall, Kingsley does not have a high proportion of non-English speaking people. The State's average of 27.5 per cent of the electorate's people were born overseas. People born in England - 12.9 per cent - form the largest group. The suburbs of Kingsley, Woodvale and a small section of Greenwood house a larger than average number of English born people. Italians are the most common non-English speaking community - 1.5 per cent. There are only six areas, mainly on the eastern side of the electorate, which have greater than the Australian average of 1.7 per cent. Greenwood and Warwick have large areas in which more than 75 per cent of the population are Australian born.

Thirty-one per cent of Australians who have left school have some post-secondary qualifications. Those with tertiary qualifications form a small percentage of those who have left school. The Kingsley electorate has fewer people in the "not qualified" category than the State's average. Over one third of those who have left school in the electorate have some post-secondary qualifications. The most significant areas are: Management, which totals 6.5 per cent, nearly 50 per cent higher than the metropolitan average; manufacturing 7.6 per cent; architecture 3.5 per cent; medical 3.4 per cent; education 3.3 per cent; engineering 2.3 per cent; and service 2.3 per cent. Of those who are qualified, the majority have either a trade or some other form of professional qualification.

The most common type of family in Australia, the couple with children, totals 44.6 per cent with those without dependants totalling 41.3 per cent. Single parents constitute a further nine per cent. Couples with dependants totalling 63.3 per cent and without dependants totalling 28.3 per cent make up over 90 per cent of all families in the Kingsley electorate. This is six per cent higher than the Australian or State average for that group of categories. The figures for single parents with dependants - 6.2 per cent - and related adults - 2.1 per cent - are very low and are only two-thirds and one-third respectively of the metropolitan average.

The total number of families with dependants totals 68.5 per cent, a figure that is significantly higher than the State and metropolitan figures and identifies Kingsley as a young electorate. Having regard to this, the higher than average number of families with dependants means that many of the families have a very low income surplus as most of their available income is used in establishing the family home. The electorate has an exceptionally high level of home ownership - 87 per cent. Approximately nine out of every 10 private dwellings are owned or are being purchased.

Rental accommodation which totals 9.7 per cent is less than half that of the metropolitan area which totals 25.2 per cent. Monthly mortgages in Kingsley represent more than 60 per cent of the private dwellings which is 1.7 times the metropolitan average of 35.3 per cent. The higher density of mortgages occurs in the suburbs of Kingsley and Woodvale, reflecting the later development of those areas.

It is interesting also to note that, in terms of vehicle ownership, Kingsley has a high level of motor vehicles per dwelling with a district average of 1.7 vehicles per dwelling, 13 per cent above the metropolitan average. A total of 62.3 per cent of the electorate has more than two vehicles per home which is 15.7 per cent higher than the metropolitan average.

Within this context, it is interesting to note that Kingsley is located in the fastest growing local government area in Australia. Since 1970, the City of Wanneroo has grown from having a population of 4 645 to having a current estimated population of 151 640. There has been an increase of almost 50 000 in the last five years. Building licence figures indicate that the rate of growth is continuing. In 1985-86, 2 635 applications were made totalling \$122 700 144. In 1987-88, 3 478 applications totalling \$200 755 824 were lodged. With this rate of growth the city's population is expected to exceed a quarter of a million soon.

after the turn of the century. What this means for my electorate, which is part of this rate of growth, is that there is a tremendous need for a number of important services and facilities for the residents of Kingsley.

Issues such as overcrowded schools, inadequate transport services, a need for more child care facilities, a need for more police officers and a lack of recreational facilities are just some of the concerns my constituents have asked me to bring to the attention of this place.

I decided to enter politics to continue my commitment to the community of Kingsley. My commitment spans many years in a broad spectrum of organisations ranging from small business, recreation, arts, child care, youth and tourism to family support groups. This community work has been recognised by the State Government with my appointment as a representative of the community to the State Planning Commission Commercial Consultative Committee and the Northern Suburbs Rapid Transit Study Advisory Committee.

I have very clear commitments in the areas of the family, youth, law and order, transport, education, the elderly and small business. I am committed to the preservation and protection of the family. In my view there is no more important social unit than the family because it is the basis upon which individuals develop and are able to determine their future. Family life teaches all of us about love, mutual respect, tolerance and cooperation. These principles are the very basis of healthy relationships inside and outside the family unit.

As part of my deep concern for the preservation of family life I founded, in my electorate, the Wanneroo Family Support Group for victims of child abuse and their families. The goals of this organisation are -

- (1) To undertake community awareness programs.
- (2) To provide a referral service to ensure access to professional counselling.
- (3) To provide support to the victims of child abuse and their families.

I would like to take this opportunity to thank officers from the Department for Community Services for their advice and assistance which I have received in establishing this group. I have discussed some social aspects of family life. However, there is a need for incentives in the form of programs that provide real financial support and encouragement to families.

Since the 1960s birth rates have plummeted to below what population experts call the natural replacement rate. To keep a population stable families should average 2.1 children; we are running at 1.8 children. Unless the decline is reversed the average age will be raised, social security payments will become colossal and there will not be enough young people in the work force to adequately keep our country moving forward.

I support the introduction of income tax splitting to allow families to have a choice. Taxation deductions for children must be increased and taxation deductions must be allowed for at least a percentage of mortgages.

I am committed to assisting the youth in my electorate. From my experience as a member of the management committee of the YMCA it was obvious that the traditional forms of recreation and activity may not be what the youth of today want. This was evidenced in organised sport by the large drop out rate by young people between the ages of 13 to 17. We have a responsibility to provide for the future of all children to ensure they reach their full potential and individual self esteem. We need to sit down with our youth and listen to their needs or we will face monumental problems, some of which have already resulted in huge social costs.

I have over some time, in conjunction with the local recreation associations in my electorate, been trying to secure a drop-in facility to be jointly managed by the youth and the recreation association for the purposes of providing an alternative style of recreation. This facility will, I hope, provide a positive alternative to the lifestyle currently being experienced every Friday and Saturday night by some youth from the suburb of Kingsley who congregate at the shopping centre and the adjacent reserve to drink and use drugs. Having witnessed at first hand the benefits of community based youth oriented organisations, I am of the view that organisations such as the YMCA and the Jesus People Youth and Community Services are much closer to young people than Government departments and are, therefore, better equipped to provide services and support to the youth.

Major recreational facilities do not exist in the Kingsley electorate. The Greenwood-Warwick area had, until three years ago, a recreational centre known as the Bini Shell located in Penistone Reserve, Greenwood. This facility had a high user rate and was the focal point for the recreational activities of many groups. It was closed on the order of the Department of Health as a result of the collapse of a similar structure in New South Wales. Unfortunately two years passed before the order was lifted and consequently many recreation groups disbanded or dispersed to facilities well outside their area of community interest. Others have had to endure the use of demountables which have proven to be less than adequate for many activities.

I understand the Government, through the Minister for Sport and Recreation, has established a working party consisting of officers from both the department and the City of Wanneroo to examine the number of facilities that are required and their most suitable location. I welcome the initiative by the Government and hope that the suburbs of Greenwood-Warwick and Kingsley-Woodvale will benefit as a result of the working party's deliberations.

I am committed to ensure the protection of persons and their property. Penalties relating to crimes against persons and their property are iniquitous and require a serious review. It is, in my view, grossly unjust when assaults are classified as misdemeanours and the offence of stealing is classified as a crime. Misdemeanours, if heard in the Court of Petty Sessions, can receive a maximum penalty of only six months. This review, together with the need for increased police presence against the backdrop of a rapidly growing population in the northern suburbs, is essential if the issue of law and order is to be addressed seriously. Despite efforts in my electorate through Neighbourhood Watch and Industrial Watch, the lack of police back-up in many instances reduces the effectiveness of these schemes. I welcome the Government's commitment to increase the numbers of police officers and trust that manning levels at the Warwick Police Station will reach a level where it will be able to effectively cope with the increasing demands being placed on it.

The public transport system within my electorate needs an overhaul for the purpose of being more responsive to the needs of the people. Young people in general and young mothers at home with families are particularly isolated due to limited bus routes. Rather than public transport being available in a north-south direction, it needs to be rerouted to allow for people, for example, in Greenwood to have easy access to such places as the Wanneroo Hospital, Wanneroo Water World, Kingsley and the Hillarys Boat Harbour. I ask the Government to seriously consider a circular bus route or east-west routes so that different parts of the City of Wanneroo can be linked together.

I welcome the Government's commitment to develop a rail system which will service the residents of the northern suburbs and I accept the Premier's offer to be on hand next year when the northern suburbs railway line is officially opened. Three years ago I led a deputation to the then Minister for Transport seeking a railway service, so naturally I am particularly pleased that northern suburbs' residents will soon be able to commute by rail. However, I remind the Government that because the Mitchell Freeway does not operate as a freeway during peak periods there is an urgent need to establish a contra-flow lane for buses until such time as the rail service is developed. I offer this as a constructive suggestion to the Government.

In education I am committed to ensuring that literacy and numeracy skills are rightly restored as the most important component in our education system. There is a need for further preschool facilities for four year olds in my electorate. I trust the Government will develop a coordinated policy between all the facilities presently providing preschool education for four year olds and allow sufficient resources to be allocated to provide two half days a week for all four year olds whose parents seek this. Further, my constituents would like the Government to ensure that all five year olds are provided with a place in a preschool or preprimary centre on a non compulsory basis and at a centre of the parents' choice which, in most cases, is the school at which the child will attend for the continuation of his education. I would appreciate positive initiatives to both these problems in my electorate.

I welcome and thank the Government sincerely for committing itself to building two primary schools to be opened by 1990 and I refer to the North Woodvale Primary School and the Dalmain Primary School in Kingsley. I trust the Government will also closely monitor and

has a contingency plan in place for another high school to cope with increasing student numbers over the next five years at the Woodvale High School. I also put the Government on notice that I look forward to its honouring the other commitments it gave my electorate during the last election. Those commitments were: The Woodvale Family Centre to be opened in 1989; the Woodvale High School stage four extensions; the Kingsley Family Centre to be opened in July 1989; a rapid rail transit system; \$2 million to the City of Wanneroo to upgrade recreational facilities; and the "Kings Park" of the northern suburbs - a 1 500 hectare park comprising Lake Goollelal, Beenypup and Wallubuenup Swamps, and Lake Joondalup.

I represent Kingsley because I am part of Kingsley and share with my constituents their concerns, uncertainties and aspirations for the future. I look forward to a long and successful parliamentary career with my prime objective of servicing the residents of the Kingsley electorate to the best of my ability. I thank members for giving me the opportunity to speak in this debate. I trust my comments have been constructive and that members now have some understanding of the Kingsley electorate.

[Applause.]

**MR KIERATH (Riverton) [3.12 pm]:** I want to say how thrilled I am to be elected as the member for Riverton; I am proud and privileged to have the honour of being the first ever member for Riverton. I record my thanks to the 9 500 people who supported me and I assure the 7 900 people who did not support me that I am here to work for them also.

During the campaign many local issues surfaced: Most were local government issues, and perhaps it is time we reviewed local government to make it more representative of the people; in other words, make it more accountable. It is supposedly the tier of government closest to the people; I often wonder whether it is closer to special interest groups rather than to the silent majority. One of the biggest difficulties in the Riverton electorate was the traffic problems encountered when speed humps were installed. This occurred when the Council installed speed humps in order to reduce traffic in a particular street. I was inundated with complaints about these from one end of the electorate to the other, and certainly it seems that the Council has become more intransigent in its stance. Despite the massive public opposition, the Council continues to state that those speed humps are in the residents' best interests. The residents obviously think otherwise. During the campaign my opponent supported the speed humps and I opposed them: That highlights the difference between us - he claimed to represent the people while forcing the decision upon them and I chose to represent the will of the people by opposing them. Some people said the issue was becoming political; it was not, but the local Council in this case has stopped listening to the people it is supposed to represent. I believe it has lost touch and that this is an occupational disease of all politics and politicians, whether local, State or Federal. In order to prevent myself from being afflicted with the same disease I intend to spend at least one afternoon a week doorknocking in my electorate and meeting people face to face. In particular I want to meet people who are not necessarily politically active or representing any particular lobby group. The first pledge I make is to serve the people of Riverton before any party interests or lobby group pressures.

I turn my attention to education: Many of the schools in the Riverton electorate are in dire straits. One primary school has more than 900 students, and another school is not far behind in terms of student numbers. The schools to which I refer are Parkwood Primary School and Rostrata Primary School. They are mega schools by anyone's standards. Their projected and predicted enrolments for 1990 and 1991 are in excess of 1 100 students at a primary school level. When considering how on earth this situation could have occurred, it is found that two school sites, one in each of the areas, have been sold off - one in 1983 and the other in October 1985. This latter one was the second school site in the Lynwood-Parkwood area. At the same time this school site was sold Parkwood Primary School, or West Lynwood Primary School as it was known then, already had the largest enrolment of any school in the Riverton electorate. It had more than 600 students and the number was growing fast. As it is traditional in a member's maiden speech to avoid attacking the Government, I will defer debate on this question until a later stage. It should be noted that the people of Riverton, especially those living in the areas around the Rostrata and Parkwood Primary Schools, did not agree to the sale of those school sites. In that case, why should they suffer as a result of these sales? It is not their fault, but they are made to suffer the consequences. It is a disgraceful situation.

As far as other schools in my electorate are concerned, many do not have basic essentials such as fans. Many parents can give good reasons why schools should be air-conditioned. Since I have been a member of Parliament I have heard good reasons put forward for air-conditioning Parliament House. The question is asked: Why should staff have to work in such appalling conditions? If people think that it is hot in Parliament House in summer, they should spend some time in a transportable classroom on a hot day. Instead of erecting a new building to one side of Parliament House, we should install transportable classrooms as temporary office space. After one summer working in such accommodation I am certain we would make sure that transportable classrooms were attended to immediately. Our kids have to face that each and every year. I also believe that our schools should be designed with the Western Australian climate in mind: By that I mean that schools should be built facing north and south, with the minimum number of windows facing east, and that design and layout for schools should utilise seasonal conditions. In order to keep the buildings cool in summer and warm in winter, our designs should include verandahs and skylights which take advantage of various angles of the sun in the different seasons, as well as high ceilings and insulated roofing. We should use western windows and parklands that shield the sun but still allow the cooling breezes to come through. We could use gardens and reticulation, especially courtyard gardens from where cool air could be drawn to cool the classrooms. I reiterate that we should design schools with the Western Australian climate in mind, and I am sure we could do much to reduce the current discomfort. I would like to go one step further and say we should not have transportable classrooms as we know them at all. If we were to put our minds to providing more semipermanent designs for school buildings, we could develop facilities that could be added to schools as they peaked during maximum enrolments and, as the number of students declined, those buildings could be moved to other schools experiencing population growth. I am sure a design competition could be run offering substantial prizes for the best semipermanent design for schools. We could be absolutely staggered by the alternatives submitted. We should be putting the design emphasis on buildings that can be transferred from one site to another, so that as school populations grow and decline the buildings can be adjusted accordingly.

Another important issue that surfaced during the election campaign was law and order. People have been severely affected by breaking and entering in their homes, the theft of motor cars, and the general breakdown of law and order. Surely in this day and age we can do something to rectify the situation. There is a saying that a man's home is his castle. I hope the Chamber will forgive me for being sexist, but that is the saying. People should feel safe in the confines of their own home. At this stage I commend the Neighbourhood Watch program, but at the same time criticise the apparent reduction in police manning levels, especially with many suburban police stations either disappearing or being downgraded in favour of regional stations. The presence of police in the local community should be encouraged, and to this end the people of Riverton request the establishment of a manned police station in the electorate. The Riverton area is partially serviced by two police stations, one in Brentwood and one in Cannington, both of which are among the State's busiest police stations. The workload and pressure on those police stations could be eased by establishing a new station in the area. People feel they have a right to go about their lives without their homes being invaded by intruders, or their vehicles stolen, or their property violated. This feeling of security is a fundamental right of our very existence. We can tolerate a certain degree of uncertainty in the world if we can feel safe in our own homes.

I now turn my attention to the plight of our senior citizens. Many of our seniors feel as though they are the forgotten people. I will refer specifically to seniors who receive a part pension because they have another source of income - either superannuation or an overseas pension - and who feel that they have worked hard all their lives, have paid their taxes and contributed to the community yet have been forgotten in later years. Most of them have made deliberate and careful plans for their retirement through superannuation or their overseas pension. Often their additional income results in a means test and the loss of their health benefits card and, consequently, the loss of many other benefits and privileges. These people are becoming the new breed of poor; they are caught betwixt and between. They are the very people who have tried to help themselves. How do we reward them? We take away their privileges and discounts and make them pay because they had the foresight to try to help themselves by planning for the future. The philosophy here seems totally wrong. I believe that we should apply pension discounts to all Seniors' Card holders and not just to those who hold a pensioner health benefit card.

Another local issue about which I feel strongly is the Canning River regional park. I support the establishment of that park but would like to see something done now. It has been mooted since 1980 and it is high time we saw action rather than heard talk. One word of caution: We need one single authority and not joint management of the park as originally proposed. That proposal would supply an excuse for buck passing and we do not want that, because it is currently one of the very problems we face when trying to manage these loosely grouped pockets of land referred to as the Canning River regional park. The care and well being of the environment is a critical issue that faces all of us. These are local issues about which the people of Riverton feel strongly. This is evidenced by my presence in this House.

I turn now to issues of a more general nature. I will outline my beliefs so that members will have some understanding of the principles that guide my thinking. One of my great interests is labour reform or, put more correctly, reform of the labour market. In discussing this matter I will refer to two quotes: The first is, "You cannot help the wage earner by pulling down the wage payer" - one section of the market should not grow at the expense of the other. The second is, "You cannot encourage the brotherhood of man by encouraging class hatred" - we must work together towards common goals. These are the underlying principles that should be considered in any reforms.

I would like to see unions really representing their members and showing them how to gain real increases in wages, not just treading the inflationary wage/tax spiral. This, in itself, leaves the wage earner in a far worse position. The Government, and therefore this Parliament, should be looking at ways to reduce the tax burden and to restore incentives. We should, as legislators and leaders, be searching for methods of increasing real wages through productivity and tax cuts rather than through false, inflationary increases such as the CPI adjustments. The only way to increase our worth is to create wealth. We create wealth by production, nothing else. We all know deep down that there is no such thing as a free lunch. If it is free for one person, it has a cost to another. We should be completely honest and acknowledge who is actually paying for this.

This brings me to the further quote that, "You cannot help the poor by destroying the rich." We receive in life exactly what we put into it, nothing more and nothing less. Therefore, if we want more we must become worth more. We must increase our production. The message is very simple, although it is much harder to put into practice. We often do not see this wisdom surfacing in industrial relations because the waters can become clouded with a thirst for power rather than a desire for justice. I place on record the fact that I am in favour of a system which restores integrity which is based on democracy and not dictatorship, which rewards negotiation not militancy, which restores the importance of workers as productive people not just as statistics, which encourages excellence and not mediocrity, which rewards incentive and does not stifle creativity but allows people to have their own opinions without fear of retribution or recrimination, which acknowledges the rights of individuals and which grants freedom but recognises the responsibility that accompanies freedom.

Another pertinent quotation is, "You cannot strengthen the weak by weakening the strong." A system such as I have outlined will go a long way toward restoring the confidence of people through goodwill. This might get people to work together for common goals. If we can work together instead of pulling apart and in different directions I am sure that we can improve our standard of living and with it the prospects for our children. As I have said previously, this Government and this Parliament should be looking at ways to reduce the tax burden and to restore incentives, if we want people to become more productive.

I fully realise that income tax is a Federal matter, but I wish to record my feelings and beliefs with regard to the taxation system and its effects on people. In recent years we have seen relief measures for low income earners. We have seen a Government posturing and heard lots of empty rhetoric about tax avoidance measures. Yet what do we see? We see a large, well known company paying less than one per cent of its income in the form of various taxes. I think that is obscene. We encourage people to pay their way and be a part of the community, yet if one is poor one receives many forms of assistance. If one is a member of the super rich there are tax loopholes, apparently there for the asking. However, what about the vast majority of people who lie somewhere between - the real producers of this country? Someone has referred to these people as "Middle Australia". I like to call them the genuine producers who are being taxed out of existence. No rorts, no methods of tax avoidance, and virtually no deductions are available to these people. Surely we must realise that we can kill the goose that lays the golden egg.

I have heard of people who have refused to work overtime and who will not produce more simply because they are taxed too much. How pathetic is the system which is causing people to lower their productivity simply because it is just not worth it. Yet here we are supposedly trying to increase our wealth and encourage people to become worth more. The two things simply do not go together. I want to see enterprise, production and initiative rewarded. Let us lift the shackles off "Middle Australia" and offer incentives and we will see this great country of ours moving forward again.

I turn to the matter of welfare, which is a natural flow on from my previous subjects because many people have said that we have used our tax system to change the very basis of our society. There is another saying, "You cannot help men personally by doing for them what they could and should do for themselves." Another pearl of wisdom is, "If you give a man a fish you feed him for a day. If you teach him how to fish, you feed him for a lifetime." There is a very subtle distinction between those two sayings which sums up my feelings and attitudes to welfare.

We, as politicians, love to give handouts, presentations and gifts, but whom are we really helping? We do not want people to become dependent upon us - or do we? Is that the ulterior motive of some of us? Surely we should be helping people to stand on their own two feet and look after themselves; in other words, we should be treating the causes and not just the symptoms.

This leads me to another area about which I feel strongly, that of budgeting. Another quote is as follows, "You cannot establish sound security on borrowed money", and another is, "You cannot keep out of trouble by spending more than you earn." For all of our lives every one of us has to live within a budget; we all have to do this regardless of how much or how little money we have. Yet do we teach the subject at school? Not likely! It is one of the most important and fundamental skills in our society. We should be teaching our children how to save. Remember, we cannot bring about prosperity by discouraging thrift. In my own life I have had to face severe difficulties before I learned the very basics of budgeting, and, as it is a key to negotiating life successfully, one would expect that to be one of the most important aspects of the education system. It affects every single one of us and we could be excused for being slightly cynical by saying, "Well, we do not want to do that because we cannot all be successful." I say, "We can".

The best way to explain this is to give a real life example from my previous occupation. Five middle management people were put on a savings scheme in which they had to save at least 10 per cent of their income. Once the savings scheme had commenced they could gain access to the money once every six months. They could spend it or leave it there and save further. They were able to earn incentives to match their savings dollar for dollar. Four of the people were living in rental or Homeswest accommodation. All of them are now buying their own homes and none of the first four is working for my previous employer; three went out on their own with business ventures which in some cases were in competition with my previous employer. The point I am trying to make is that these people were takers from the system by always looking for assistance and living in subsidised homes. Their attitudes changed and now they are buying their own homes, standing on their own two feet and making their way in life. Why? It is simply because they were shown how to help themselves, how to save and how to budget. That is something which is very simple yet the results were absolutely staggering; there was a 100 per cent success rate.

Let us now turn our attention to the environment. I touched on this when I spoke of local issues, but I want to talk now on a much larger scale. Our environmental resources are scarce and much of our flora and fauna and whole ecosystems are extinct, or rare and in danger of becoming extinct. In other words, our environmental assets are being substantially reduced and, conversely, those which are left have had their value substantially increased. There is a saying that none of us really owns land; we are only granted temporary custody by our grandchildren. That sums up my feelings. We as a Parliament must place greater emphasis on protection of the environment. When we use environmental resources for food or production, we must learn how to farm those resources rather than consume our natural stocks. One example of this is our wildflower trade and cut flower industry. We need to develop farms to grow plants for the flower trade rather than simply pick from the natural stocks. Our need for wood or forest products should be met from plantations and tree farms rather than using the existing forests. This Government's record in using System Six areas as

a cheap source of land is fairly shortsighted. I will not indulge in criticism of that aspect now, but I serve notice that I shall have strong comments to make in this area in the future.

I am not a "Greenie" or a so-called "Conservationist"; these terms have some weird political connotations. I prefer to say that I am a nature enthusiast and I love the Western Australian native bush. I want to see it protected so that our grandchildren might have the same opportunity to enjoy it. One of the most pleasing aspects I see today is that the young people have a far greater environmental conscience than many of our forefathers. A practical way of preserving wildflowers is to establish their use in gardens. Once they become valuable plants in our gardens, their physical existence will be assured, while, at the same time, their natural habitat is under great threat. *Eucalyptus caesia*, the Silver Princess, is a prime example of this. It has become extremely popular in our gardens while at the same time its natural habitat is under severe threat. I believe that all of our roadside verges, median strips and parks and gardens should use Western Australian plants exclusively rather than the European species or even the species from the other parts of Australia. This is Western Australia and the best plants for our conditions - you guessed it - are Western Australian plants because they occur here naturally.

As a personal statement, my wife and I have a hobby farm at Wandi at which we have planted 6 000 native plants and trees. Of these approximately 30 are on the endangered species list and we feel we have played a small part in the environmental conservation of these plants. On a Statewide basis I would like to see all projects that have an environmental impact encouraged to have an environmentally positive effect; that is, as a condition of any licence approval they must be required to improve our environmental assets or stocks. In this way each project will improve the environment by adding to it rather than reducing it.

I want to turn my attention to justice. Our legal system desperately needs to deliver justice and punish those who do wrong, not only as a punishment but also as a reward for those who do right, otherwise people will become disillusioned and will hold the law in contempt. Our legal system should be fair and reasonable. In other words, justice should be accessible to all people and not just a privileged few. If people do not have faith in our legal system there will be a breakdown in law and order; we are already seeing the first stages. I read with interest that the Chief Justice had expressed concern about the high cost of the legal system. The policy of my party is to establish community justice centres, which is a concept I support wholeheartedly, so long as they deliver justice at an affordable price to the majority of people. This brings me to another quote: "We cannot build character and courage without taking away man's initiative and independence". The legal system needs independence from any political masters, and one disturbing aspect of an expensive legal system is the use of its high cost as a threat against people of more moderate resources. A disturbing trend of late by some large companies, and, dare I suggest, even some Government Ministers, is the use of the legal process to intimidate people who have a different point of view. Basically I think people want a set of rules that apply to everyone regardless of their status or position - a system they can trust and a system that will deliver real justice without fear or favour.

I turn now to citizens initiated referendums. I am unashamedly in support of such referendums as many people are losing faith in our parliamentary system. Far too often we have seen vested interests taking precedence over the interests of the majority. One wonders why people are losing faith in the credibility of our parliamentary system; but it is not surprising when we are loath to give the people the power of veto that rightly belongs to them; we must never forget that we are their representatives and not their dictators. Citizens initiated referendums are a safety valve or safety net whereby the people give Parliament the power to run this State on a daily basis, but reserve the right to override Parliament and impose their will when it is necessary.

Another point I will touch on briefly is that of losing touch, especially in the electorate. All Governments of all political persuasions lose touch occasionally. Citizens initiated referendums would give people the power to have their say without necessarily changing the Government. On the subject of losing touch, I think it is - as I said earlier - an occupational hazard in politics and maybe it should be incorporated into the Occupational Health, Safety and Welfare Act. I have made a personal pledge that I will try to reflect the will of the people; a pledge that I will spend one afternoon a week doorknocking my electorate as their sitting member, and not just during an election campaign. In this way I hope to be able to reflect the real opinions and viewpoints of people and to ensure that I do not lose touch. I



believe that most people do not want to get involved in politics. They want to get on with their lives, earning a living, buying their own homes and enjoying life with a minimum of political interference. Many of them become politically involved only when they feel that politicians have gone off the rails and let them down. Today I have tried to address the local issues important to the people of Riverton. They addressed those issues loudly and clearly when they sent me here with a majority of nearly 1 600 votes. I pledged to work on these issues over the next four years. Also, I have tried to outline some of the broader issues and my philosophies behind them.

I hope that other members in this place will gain an understanding of my beliefs. Throughout my comments I have quoted some well known sayings. I would like to bring them together by quoting from the words of a famous American President, Abraham Lincoln -

You cannot bring about prosperity by discouraging thrift. You cannot strengthen the weak by weakening the strong. You cannot help strong men by tearing down big men. You cannot help the wage earner by pulling down the wage payer. You cannot further the brotherhood of man by encouraging class hatred. You cannot help the poor by destroying the rich. You cannot establish sound security on borrowed money. You cannot keep out of trouble by spending more than you earn. You cannot build character and courage by taking away man's initiative and independence. You cannot help men permanently by doing for them what they could and should do for themselves.

If we are able to adopt those principles by the time the life of this Parliament comes to an end, Western Australia will have become a greater State in which to live. This must be the motivation of every member in this House. I promise members that is my motivation. I pledge to work for the people of Riverton in the manner I have outlined today. I thank the members of this House for the opportunity to place these matters on public record.

[Applause.]

**MR THOMPSON** (Darling Range) [3.41 pm]: It is with some trepidation that I rise to enter this debate following the delivery of three very fine maiden speeches, which indicates the calibre of the new members who have been inducted into this Parliament as a result of the recent election. I can speak with authority in respect of those new members who sit on this side of the House, and I hope for the benefit of this institution that my comments will apply also to the members who have been elected to the other side of the Parliament. We are sitting in this Parliament at a time when more than ever before the public has this institution under the microscope. Parliament has to be seen to be lifting its game and becoming more appropriate to the society in which we live. I say again how pleased I have been with the calibre of the new members whom I have had the pleasure of meeting in these past few days since the election was held.

It came as a surprise to me, and I am sure to many in this Parliament, when Lionel Farrell tendered his resignation. It is interesting that he resigned; he did not retire. I place on record my appreciation of the work which Lionel Farrell did over a long period of time. I think I am correct in saying that there is no officer currently sitting in this Chamber who has served for a longer period of time than did Lionel Farrell. Lionel is a thorough gentleman, and he always displayed a great degree of impartiality and courtesy towards members, no matter from which side of the House they came. I had the pleasure of working closely with Lionel during the six years that I was Speaker of this Chamber. I am fully aware of that gentleman's contribution to this institution. I am convinced that we will all miss his presence in this place. I will certainly miss him because I regarded him as a friend and a person who was only too willing to go out of his way to help those of us who serve in this place.

I am very pleased that when the member for Northern Rivers made his maiden speech, he paid tribute to Dudley Maslen, who was a member of this place for a brief period after the resignation from the Parliament of Ian Laurance. Dudley Maslen quickly established himself in the minds of those of us who served with him as a very fine person. I was disappointed when he was not returned to that seat. In saying that I am not commenting on the ability of the member for Northern Rivers, who has replaced him, but Dudley Maslen was a fine member of Parliament who had a great future, and I hope that he will seek an opportunity to return to this place. I give the sitting member for Northern Rivers a warning that I will be doing everything I can to see that Dudley Maslen is re-elected.

The result of the recent election did not come as a surprise to me. I had hoped that the Liberal Party would win, but I realised before the election was held that a couple of factors indicated that our job would be difficult. The first factor was that as a result of the redistribution of electoral boundaries after the passage of the Electoral Reform Bill, our job of winning the required number of seats to gain the Treasury benches would be difficult. We need to look only at the record to appreciate that for the Liberal Party to have won on this occasion would have required more changes from one side of the House to the other than has occurred during the past 50 years, and probably not since responsible Government was granted to this State. A mammoth task confronted us at the recent election. The impact of the electoral redistribution is evident from the number of votes polled by each of the political parties. The combined vote of the National and Liberal Parties represented 52 per cent, and we won 26 seats. The Labor Party polled 48 per cent of the vote and won 31 seats. I recognised from the time that the Electoral Reform Bill was passed, and particularly after the redistribution that was consequent upon that Bill, that it would be extremely difficult for us to win.

Mr Peter Dowding: So you are a one-vote-one-value man? Where were you before 1983?

Mr THOMPSON: I have been on record for a long time as being a supporter of one-vote-one-value.

Mr Peter Dowding: Are your friends and acquaintances on that side of the House coming around to that view?

Mr THOMPSON: They are.

Mr Peter Dowding: That is amazing.

Mr THOMPSON: We would have had one-vote-one-value were it not for the fact that members opposite realised it would be against their interests.

Mr Peter Dowding: How can you say such a thing?

Mr THOMPSON: Members opposite shrank from the principle of one-vote-one-value, but I assure them that one-vote-one-value will be around for a long time; it will not go away.

Mr Peter Dowding: We have been screaming about it for years, and you would not let it go through the upper House.

Mr THOMPSON: Members opposite have been grandstanding on the issue. They have been two faced about one-vote-one-value. They have come out and thumped their chest and said they were in favour of one-vote-one-value, but the last thing they wanted -

Mr Pearce: Here we are!

Mr THOMPSON: The member has made my point for me: Had there been one-vote-one-value, members opposite would have been over here.

Mr Pearce: So why did you not agree with it? What a cynical lot you are. You would not agree with one-vote-one-value until you thought you could win an election by doing so.

Mr THOMPSON: One-vote-one-value is a principle which will be adopted by this Parliament eventually because it will be forced upon us by the people who elect us. I want to reiterate what I said a little earlier. People opposite were never dinkum about one-vote-one-value. When the back room boys looked at the figures they said, "These are the seats we will lose," so members opposite very smartly ran away from it.

Mr Thomas: Did you do anything on 3 September last year during the referendum campaign?

Mr THOMPSON: Yes, I did.

Mr Thomas: What was it?

Mr THOMPSON: I supported it.

Mr Thomas: Did you hand round how-to-vote cards for it?

Mr THOMPSON: I voted for it. I advocated that people should vote for that part of the referendum, so my conscience is clear.

Another factor I recognised before the election which would make it very difficult for us to win it was the blatant pork barrelling undertaken by the Government. Unashamedly

members opposite went around propping up the marginal seats. Let me congratulate them; they were pretty good at what they were doing. They achieved their objective. They identified very clearly the marginal seats the Government needed to win, and they poured resources into those marginal seats to make sure that the Government would win them. If we look at the record we will see that they were won by the Government.

I told the member for Geraldton, and a number of members on that side of the House, that the member for Geraldton would be back in this Parliament after the election, and I outlined the reasons why.

Mr Carr: You are a much better judge than some of your colleagues.

Mr THOMPSON: I have been around a while, and I happened to be able to make some judgment about the way things were going. I could see the work being done in seats like Geraldton which would make it difficult for us to win. Members of the Labor Party do not even blush.

Mr Gordon Hill: Did you not also say we would lose Northern Rivers?

Mr THOMPSON: I did. I was confident members opposite would lose Northern Rivers, particularly after I had been up there. Afterwards, I analysed the position. I do not make many mistakes, but that was one of them. When I analysed the position I realised that I had overlooked the impact of the redistribution and the fact that the Labor Party candidate campaigned in only one part of the electorate.

Mr Peter Dowding: That is not true.

Mr THOMPSON: He may have gone briefly to some other parts of the electorate.

Mr Peter Dowding: He really worked very hard.

Mr THOMPSON: That is not what I was told by people living in places like Exmouth and the smaller communities. He spent the majority of his time campaigning at the major mining towns, and that was the key to his winning the seat; there is no question about that.

Mr Pearce: Are you bringing out a book on the election? What is the purpose of this electoral rundown?

Mr THOMPSON: I am just explaining why it was going to be difficult for us to win the election. Notwithstanding that, we came within 160-odd votes of defeating the Government. I suggested to the member for Whitford yesterday that she should only swear half the oath.

Several members interjected.

Mr THOMPSON: I admit she is fully here.

Mrs Beggs: I resent that remark.

Mr Pearce: You did not have any trouble with the preselection either.

Mr THOMPSON: I had a bit of trouble with mine, but I shall not have trouble in the future. My problem came about as a result of the electoral reform damage. That will not happen again.

Mr Pearce: I shall be happy to have a meeting with you tomorrow to discuss the form of the one-vote-one-value legislation we are prepared to put to the Parliament.

Mr THOMPSON: I shall have a chat with Leader of the House about that; no trouble at all.

The DEPUTY SPEAKER: People in the public gallery, under Standing Orders, are not permitted to enter the debates in any form whatsoever, so if there is a repetition of that performance I shall be forced to take action.

Perhaps members in the Chamber might restrain themselves a little from interjection. While the member on his feet is giving a very entertaining rundown of the election, he is perhaps soliciting interjections, and I think members of the public can hardly be expected to behave in a totally decorous manner when we have chaos on the floor of the Chamber.

Mr Pearce: That is the second time in history you have cleared the galleries!

Mr THOMPSON: I am keen to know if the demonstration was in support of my argument or in opposition to it, because I shall modify my behaviour accordingly.

It has become clear to me that there is a growing disaffection in the community with the major political parties in Australia. That is a trend which will continue for some time. To some extent it relates to something I said earlier about the quality of people elected to this House. We need to improve our performance so that the perception which the public has of us is a better one than they have at the present time. Partially as a result of our own activity, there is a growing disquiet in the community about the performance of the major political parties. I am convinced that in future elections we will see a growing percentage of the community voting for minor parties.

Mr Wiese: Do you include the National Party there?

Mr THOMPSON: I do not see the National Party as a minor party, because the National Party is part of the conservative grouping of parties. It is not a minor party in the same way as Greypower is a minor party. I do not see any diminution in the support that the National Party will receive in certain parts of the State. It would be difficult for the National Party to improve significantly its percentage of the vote because of the perception people have of the basis on which the National Party operates. I do not regard the National Party as one of those minor parties which will attract the anti major party vote because I see it really as one of the major political forces.

I am convinced that whichever of the minor parties is the flavour of the month at any election will attract an increasing percentage of the vote. At the last election Greypower was the flavour of the month party, and it attracted a lot of media support. It had a very high profile. Some people may assume that the share of the vote it received was the result of its policies and aspirations. I do not believe that to be the case at all. In our elections people who have traditionally supported the Liberal Party, or the conservative side of politics, or the Labor Party, are drifting from those major political parties. I think the evidence was there when the Labor Party across the board in this recent election lost 10 per cent of the primary vote, but a significant percentage of that came back by way of distribution of preferences of other candidates in respect of electorates.

Let me quote a statistic which I think bears out the fact that the vote Greypower received was not a vote it earned in its own right. There were a number of special institutions in my electorate, as there were in other electorates, where voting was conducted by way of mobile ballot boxes. In some of those cases, where the institutions had sufficient numbers of people residing there, the boxes were counted separately. In many cases, because fewer than 50 votes were cast, the votes were put in with those cast at a more populous polling booth and it would not have been possible to ascertain how those people voted. However, at one of the institutions in my electorate - namely, Parry House - the votes were counted separately. There would not be another group of people who one would assume would identify more closely with the aims and aspirations of Greypower - for a start, they all had grey hair.

Mr Pearce interjected.

Mr THOMPSON: I was the only grey haired candidate in the campaign in my electorate. They are people who are retired, people on fixed incomes, people who have all the problems Greypower was saying it was about trying to fix. When the votes were counted I was interested to note that Greypower polled six votes at Parry House, the Labor Party polled six votes and I polled 49 votes. When the preferences were distributed the Labor Party's vote moved to eight and mine moved to 53.

Mr Court: Why did Labor get so many votes there?

Mr THOMPSON: I do not know - I am looking for those six, I can tell you! I think that demonstrates that it is an oversimplification to say that Greypower attracted the level of votes it did in the respective electorates. Greypower received the votes that drifted from the major political parties.

Mr Thomas: Did they have a how-to-vote card?

Mr THOMPSON: Yes.

Mr Thomas: With preferences to you?

Mr THOMPSON: Yes.

Mr Peter Dowding: That shows a real determination.

Mr THOMPSON: That is right. But in my view the people who supported Greypower clearly were people who were disaffected with one or other of the major political parties, and in most cases those who were disaffected with Labor during the election campaign directed their first preference to Greypower but their vote in many of the electorates went back to the Labor Party by way of a distribution of Greypower's preferences.

Another point with respect to the preferential count is that I am convinced that people who vote one off for, say, Greypower, as was the case in this recent election, are people who will not be swayed by a how-to-vote card put out by a particular group. Generally the people who have thought enough about their vote to be disaffected with either the Liberal Party or the Labor Party have thought through where their second preference will go and I do not think it matters in the preferential count whether or not the minor party puts out a how-to-vote card. With respect to the people in my electorate I am certainly convinced that those who vote for the minor party in a three cornered contest are people who have thought enough about it to know where their second preference will go and they know precisely what they are doing. As I said earlier, it is an oversimplification to say that the minor parties control the destiny of Governments in this State.

The other thing I want to say about voting in the recent election - and it is something which this Parliament will have to resolve very quickly - is the confusion that reigned with respect to the ballot papers, or, more correctly, I should say the confusion that arose from the fact that there were two different systems of voting - one for the Legislative Assembly and one for the Legislative Council. I can understand how people became confused. The more complex ballot paper they were given was in fact the easier ballot paper for them to cast a vote on. With the less complex ballot paper they were required to do more work - they had to mark every square - whereas for the Legislative Council, which was a far more complex ballot paper, they had only to put the numeral "1". Therefore I am not at all surprised there was a high percentage of informal votes with respect to the Legislative Assembly, and we must amend that law to make it one way or the other for both ballot papers. We cannot have this situation of people having to mark one square on a ballot paper which in my case had 20 candidates standing, and yet where three candidates were standing having to mark three squares. If we allow that to continue we are inviting the high percentage of informal votes that resulted in this election.

It is unfortunate that we are limited to only 30 minutes in the Address-in-Reply debate because I would have liked to speak about a bundle of things and my comments on the election were merely an introductory remark I wanted to make. I will now deal with some of the substantive areas that need to be raised in this place.

One day last week, as the representative of the Opposition, I attended a function held at one of the city hotels to launch a campaign that is being waged by the Royal Automobile Club of Western Australia and the Country Shire Councils Association designed to draw the attention of the Federal Government to a crisis which has arisen with respect to road funding, not only in Western Australia but, I understand, in Australia. I believe the campaign needs the support of all Western Australian members of Parliament because no State in the Commonwealth depends more heavily on its road system than do we in Western Australia. We have, per head of population, far more road than is the case in most other States - in fact, I think all other States. I believe Western Australia is suffering more severely than the smaller States - both the geographically smaller States and those States with a smaller per capita distance of road.

The irony, it seems to me, is that at a time when the Commonwealth Government is spending money on the priorities it sets, local authorities in Western Australia are being denied access to the funds necessary to bring other roads in their local authority areas up to scratch. I was amazed at a decision made recently - or probably a couple of years ago now - to duplicate a carriageway between the junction of Tonkin Highway and the foot of Lesmurdie Hill. I travel that road twice a day and certainly I could detect no evidence that there was an overloading of that road; yet Commonwealth funding was made available to duplicate that carriageway. A beautiful road has been constructed there now, which will last the community well into the future, but I am aware that the Kalamunda Shire Council is frustrated in its endeavours to bring other roads within its municipality area that are in far worse condition up to a reasonable standard.

Indeed, our family had the unfortunate experience last year of our youngest daughter being involved in a horrific traffic accident, and one of the factors present in that accident was the poor standard of road design and construction.

Mr Peter Dowding: As a serious proposition, why don't you go and meet the commission?

Mr THOMPSON: I certainly will.

Mr Peter Dowding: One of your fellows made a huge issue down in Bunbury over a very tragic accident. He hopped into Bob Pearce and just about accused him of murder. All your troops were so gleefully running around, saying they knew how to design roads and Main Roads did not. Maybe you genuinely have some ideas. Go and talk to Main Roads.

Mr THOMPSON: I thank the Premier for his interjection but I would say to him - and I am sure the Minister for Police and Emergency Services will concede this - that I have taken the appropriate steps to draw to the attention of the relevant authority my concerns relating to my daughter's accident. I wrote a letter to the Minister and to his credit he has acted upon it. I am confident that the views I expressed, if not leading to some change, have certainly been given serious consideration. I certainly raised my concerns with the authority responsible for the road on which my daughter had her accident. That authority is the Kalamunda Shire Council, which told me that it has been simply starved of the funds necessary to bring that road and a number of other roads in my electorate and the electorate of Swan Hills up to a reasonable standard.

Mr Troy interjected.

Mr THOMPSON: Well, they have. I am glad the Minister for Labour interjected then because he helped me out with an earlier point. I was talking about the pork barrelling that went on in the lead up to the election. The local authority of the Minister's electorate certainly benefited from money flowing from the Federal Government to this State, and from the Minister's vigorous type of representation.

Mr Troy interjected.

Mr THOMPSON: If that is the case, they have a long way to go because I received 69 per cent of the vote and the electors do not look as though they are deserting me in the short term. I am half way through a long and illustrious political career.

Mr Troy: You have a far more significantly developed shire in comparison -

Mr THOMPSON: I accept that, but that does not belie the fact that there is a deterioration of the road system particularly in the outer metropolitan local authority areas - including that of the Minister - because of a starvation of funds necessary to bring those roads up to scratch.

[The member's time expired.]

Debate adjourned, on motion by Mr Nicholls.

## ACTS AMENDMENT (ACCOUNTABILITY) BILL

### *Second Reading*

MR PETER DOWDING (Maylands - Premier) [4.14 pm]: I move -

That the Bill be now read a second time.

On 7 November last year I announced the formation of a Commission on Accountability under the chairmanship of former Chief Justice, Sir Francis Burt. Simply put, the brief of that commission was to conduct the most comprehensive review ever taken of the accountability procedures covering Government investments.

On 22 January I released the commission's report and said that the Government would move as quickly as possible to implement its recommendations. At this stage I would like to place on the record the Government's appreciation of the work done by the commissioners. Their report will not only be the basis for this Government's actions but will, I believe, become a reference for analysis of the problems faced by Governments operating within the Westminster system and the modern economic environment.

The Burt commission recommendations fall into two main categories. Firstly, those related to the application of the Financial Administration and Audit Act to Government agencies, the

role of the Auditor General, agencies incorporated under the Companies Code and public scrutiny. Secondly, recommendations affecting particular agencies, including the Western Australian Development Corporation, the Totalisator Agency Board and the State Government Insurance Commission.

The amendments proposed in this Bill reflect the Government's determination to adopt the Burt commission recommendations, in particular those relating to the application of the Financial Administration and Audit Act to Government agencies. They also provide changes necessary to implement policy decisions taken by the Government in respect of the future operations of some of those agencies. In particular, the amendments to the Financial Administration and Audit Act provide for definitions of subsidiary bodies and for the Auditor General to be the auditor of those subsidiary bodies. Treasurer's instructions are already provided for under the Financial Administration and Audit Act.

Comprehensive instructions will now be issued on the reports, financial statements and performance indicators of subsidiary bodies and the parent department or statutory body. It is appropriate to mention at this stage a proposal from the Burt commission that the Financial Administration and Audit Act be amended to limit the powers of any subsidiary to the powers necessary to achieve the objects with which the parent organisation has been charged. The Government will not proceed with such an amendment at this time because of advice from Parliamentary Counsel and because of the risk of cutting across valid existing activities. However the issue will be explored in the current major review of the Financial Administration and Audit Act due for completion by early next year.

I now turn to those amendments affecting particular agencies. In the case of the Totalisator Agency Board Betting Act, the Joondalup Centre Act and the State Energy Commission Act, the amendments address the Burt commission's view that ministerial directions to such bodies be in writing and appropriately reported by the organisation concerned. Similar amendments are proposed for the State Government Insurance Commission Act and the Government Employees Superannuation Act. In addition, and in both cases, the Burt commission proposed that the form and duration of any delegation to an investment manager by the organisation's board should be subject to the Treasurer's approval. This Bill proposes amendments designed to implement that proposal.

I now turn to the amendments proposed to the Western Australian Development Corporation Act and the Western Australian Exim Corporation Act. The Government has already made clear its position on the future of the Exim Corporation. The corporation is to be phased out, with its remaining functions either sold or passed to an appropriate Government agency. The Government plans, at the appropriate time, to repeal the Exim Corporation Act. However, in the interim it is necessary to amend the Act to facilitate the proper liquidation of the corporation and to ensure that it meets those accountability requirements recommended by the Burt commission. It is appropriate for the Government to acknowledge in the fullest possible way the contribution made by the board and staff of Exim under what have been most difficult conditions. I intend to say more on this matter during the debate on this Bill.

I turn now to the future of the Western Australian Development Corporation. Since its inception four years ago with a capital of \$15 million, the WADC has returned some \$34.5 million to Western Australian taxpayers. Last financial year the corporation made a profit of nearly \$11 million, of which \$4.7 million was returned directly to taxpayers. In addition the corporation has built up accumulated reserves of \$31 million. The corporation achieved these results in the face of some of the most trenchant, vicious and personal political attacks seen in this State. It is a sad fact that those attacks have had an impact, not so much on the corporation's ability to deliver, but on the public's perception of its role.

It is that perception, and the conflict between the role originally envisaged for the WADC and its relationship with a Government operating under the Westminster system identified by the Burt commission, that my Government has had to address. Accordingly I have directed that the WADC cease making investments and wind up existing investments as quickly as commercially feasible. I expect that task to be completed by 30 September. While not subject to legislative action, the agreement between the Treasury and the WADC whereby short term cash surpluses were invested by the corporation has ceased.

I expect some appropriate administrative structure to remain to provide support for the highly successful activities of EventsCorp, including the organisation of the now internationally

recognised PacRim conference, and of LandCorp. The amendments proposed will allow the corporation to meet the requirements I have outlined and to meet those accountability criteria outlined by the Burt commission.

Again I pay tribute to the board and staff of WADC and Exim. They have more than met their obligations to the Government and the people of Western Australia under extremely difficult circumstances. I congratulate them.

I commend the Bill to the House.

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

## WESTERN AUSTRALIAN PETROCHEMICAL INDUSTRIES AUTHORITY BILL

### *Second Reading*

MR PARKER (Fremantle - Minister for Resources Development) [4.21 pm]: I move -

That the Bill be now read a second time.

This Bill is an important part of the Government's initiatives to improve the accountability and public scrutiny of its statutory authorities following the report of the Commission on Accountability which was chaired by the former Chief Justice, Sir Francis Burt.

This Bill, together with the Acts Amendment (Accountability) Bill introduced by the Premier into this House today, fulfils the undertaking given by the Premier during the election campaign to implement the recommendations of the Burt Commission on Accountability.

Specifically, this Bill gives effect to the Burt Commission's recommendation that the Northern Mining Corporation (Acquisition) Act be repealed and that Western Australian Government Holdings Limited be reconstituted as a statutory authority and made subject to the Burt Commission's accountability requirements. The new authority, Western Australian Petrochemical Industries Authority, will be required to satisfy all of the accountability requirements recommended by the Burt Commission. In particular, the new authority will be -

subject to direction from the Minister in regard to the performance of its functions and powers, and the authority must give effect to all such directions. All ministerial directions must be in writing and included in the annual report of the authority - clause 8;

required to furnish to the Minister reports relating to the activities and business of the authority as specified in clause 9 of the Bill;

subject to the provisions of the Financial Administration and Audit Act - clause 19. Consequently, the new authority will amongst other requirements be subject to scrutiny by the Auditor General and must provide audited annual reports to the Parliament through the Minister.

In addition to these requirements, the Bill also provides for ministerial control over the financial powers of the authority. For instance, the amounts, terms and conditions of the authority's borrowings will be subject to the Treasurer's approval - clauses 24 and 26. The manner in which the authority invests surplus funds available to it will be subject to the Treasurer's approval - clause 23. And the terms and conditions of any guarantee or other commitment given by the authority will be subject to the Treasurer's prior approval - clause 25. In addition, clause 27 provides that the Treasurer may guarantee the performance of any obligation entered into by the authority on his direction or approval.

The new authority will be established as a body corporate with the normal powers and controls that that entails. The Government has, however, accepted the Burt Commission's recommendations that no Government agency be constituted as a partnership or limited liability company and the new authority will not be constituted under the Companies (Western Australia) Code. This will avoid potential conflicts in respect of accountability that can arise where corporations are subject to the requirements of the Companies Code and are also accountable to the Parliament through their Minister.

Finally, the authority will be unable to enter into contractual arrangements with third parties which include secrecy or confidentiality requirements without the explicit prior approval of



the Minister. In short, the new authority will be as accountable as it is possible to make a Government agency under the Westminster system of Government.

The Western Australian Petrochemical Industries Authority will assume the areas of activity currently being undertaken by Western Australian Government Holdings Limited. Its major activity will involve managing the State's equity interest in the petrochemical project. The new authority will be required to assist and facilitate the implementation of this project which will bring substantial benefits to the State's economy. It will be the largest single industrial development in the State since the North West Shelf gas project was commenced. It is anticipated that opportunities will arise to develop the project into the production of related products and provision is made in clause 5(b) of the Bill for the authority, subject to the approval of the Minister, to become involved in those activities.

Other areas of involvement of WAGH, which in the current absence of any more suitable vehicle will be absorbed by the new authority, are -

the provision of financial accommodation involving a \$US24 million loan facility to Western Australian Diamond Trust (WADT) to fund the trust's five per cent participation in the Argyle diamond joint venture. WAGH is being, and the new authority will continue to be, reimbursed in full by WADT for all charges, service costs and foreign exchange fluctuations on this facility. The Treasurer has guaranteed WAGH's performance of the terms and conditions of the \$24 million loan facility and WAGH has, in turn, executed a mortgage in favour of the Treasurer;

ownership of all the shares in Aboriginal Enterprises Company Limited. This company funds loans to Aboriginal business ventures. WAGH does not participate in the management of this company but elects individuals nominated by the Government as directors of the company. It is proposed that the new authority will continue to observe this practice. In the longer term it is proposed to separately constitute this body but for the present it will remain here for convenience and the separate amendments to the Financial Administration and Audit Act relating to subsidiaries will ensure that it is fully accountable;

ownership of all of the shares in Business Services (Belgium) NV, a company incorporated under Belgian legislation. This company provides financial and commercial services to WADT. WAGH does not participate in the management of this company and there are no common directors between WAGH and this company. It is proposed that the new authority will also continue to observe this practice. Ultimately this company will be divested.

The Bill provides, in clauses 6 and 7 and schedule 1, for the transfer of the assets and liabilities of Western Australian Government Holdings to the Western Australian Petrochemical Industries Authority by way of a transfer scheme to be devised by the board and approved by the Minister.

The new authority will be managed by a board of directors comprising a chairman, who will also be the chief executive, and from two to eight other directors. The board will have the power to delegate authority and appoint committees - clause 15. The powers of the authority are set out in clause 10 and are considered to be those necessary for the proper discharge of its functions. These powers are consistent with normal commercial powers for the carrying out of the functions required of the authority.

The authority will be subject to all local government rates and charges and all taxes, fees and charges imposed by the Government - clause 11. Furthermore, the authority will be expected to pay income tax to the State Government as if the authority were a public company. Tax is to be assessed using normal income tax provisions and the amount payable will be certified by the Auditor General. In addition, the board will be required to pay, annually, a dividend to the Government from any profits it might make - clause 22 - to an amount determined by the Treasurer.

In introducing this Bill and the range of amending legislation relating to the Burt Commission recommendations, this Government is giving legislative effect to its total acceptance of the commission's accountability requirements. The concept of accountability - that legislative authority should exist authorising the investment of public moneys or the creation of contingent liabilities by the executive of Government agencies;

and that every Government agency should be subject to the control of the Minister of the Crown and through that Minister be able to account to the Parliament for all that it has done in the exercise of its statutory authority - is a concept that is fully endorsed by this Government as fundamental to its operations.

I commend the Bill to the House.

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

## STAMP AMENDMENT BILL

### *Withdrawal*

**MR PEARCE** (Armadale - Leader of the House) [4.28 pm]: A technical difficulty has arisen regarding the Stamp Amendment Bill 1989 which was read earlier today. The Bill distributed to members was sent up in a hurry from the Government Printer. Regrettably the print was of an earlier draft, not the Bill which relates to the Minister's second reading speech. Because of the techniques involved in bringing up a Bill and introducing it straight into the House, an oversight, for which I am responsible, occurred. It is now necessary for me to seek leave to withdraw the Bill and then move to allow the Minister to reintroduce the Bill. The second reading speech given by the Minister is apposite to the Bill which was supposed to be introduced. Unfortunately, the distributed copy was that of an earlier draft. I seek leave for the Bill for an Act to amend the Stamp Act 1921, introduced earlier today, to be withdrawn.

Leave granted.

## STAMP AMENDMENT BILL (No 2)

### *Suspension of Standing Orders*

On motion by Mr Pearce (Leader of the House), resolved with an absolute majority -

That so much of the Standing Orders be suspended as is necessary to enable a Bill for "An Act to amend the Stamp Act (1921)" to be introduced without notice and forthwith taken to the stage that the second reading is moved.

### *Introduction and First Reading*

Bill introduced, on motion by Mr Parker (Treasurer), and read a first time.

### *Second Reading*

**MR PARKER** (Fremantle - Treasurer) [4.31 pm]: I move -

That the Bill be now read a second time.

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

The purpose of this Bill is to amend the Stamp Act to give effect to the Government's election promise of a stamp duty rebate for first home buyers and buyers of land for a first home from 1 March 1989. The stamp duty rebate is an integral element of the Government's housing policy aimed at continuing to provide an affordable housing environment in Western Australia and targeting assistance to those most in need. The rebate will relieve some of the burden of higher property prices which have hit first home buyers in particular.

The Bill provides for a rebate of duty of up to \$500 for first home acquisition settled on or after 1 March 1989. In order to limit the rebate to those most in need, eligibility for the rebate will be restricted to those who purchase property they intend to occupy as their principal place of residence. Where a house which a purchaser intends to reside in already exists on the property, the value must not exceed \$80 000. In recognition of the higher costs of living in the north of the State, a higher limit of \$120 000 will apply for homes located north of the 26th parallel. For buyers of land intended for the erection of their first home a value limit of \$33 000 will apply. As the rebate is aimed at those most in need it will not be available to those who have previously owned, or have been part-owners of, a residence. However, previous ownership of vacant land will not preclude eligibility for the rebate.

An additional requirement in the case of land is that house construction must commence within four years of the land's being acquired. The rebate will be payable only after the applicant has entered into a building contract, or where there is no contract, after building

commences. Those who consider they are eligible for the rebate will be required to apply to the Commissioner of State Taxation in the manner specified in the legislation. They will need to provide such information as the Commissioner requires to satisfy himself that the applicant is eligible for a rebate.

Applications must be received within 12 months of a home being acquired or, in the case of land, within 12 months of the commencement of construction of a home or the date of signing a building contract for a home. Where an applicant applies for a rebate and the application is approved prior to the payment of stamp duty, the rebate will be provided by way of a reduced stamp duty assessment. However, where application is not made, or approval is not given until after the payment of stamp duty, a refund will be paid. The estimated cost of the rebate is \$3.1 million in a full year.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Lewis.

[Questions without notice taken.]

*House adjourned at 4.58 pm*

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QUESTIONS ON NOTICE

WESTRAIL - MINING TENEMENT  
*Mining Lease No 70-498 - Application*

2. Mr HASSELL to the Minister for Transport:

- (1) Is it correct that the Western Australian Government Railways Commission has applied for a mining tenement, mining lease No 70-498, as advertised in *The West Australian* newspaper on Saturday, 4 March 1989?
- (2) What is the purpose of the application?
- (3) What transaction is involved?
- (4) What minerals are being sought?
- (5) Is any private company involved and, if so, which one?

Mr PEARCE replied:

- (1) Yes.
- (2) To preserve Westrail's rights to operate a stone ballast quarry within a lease in a section of State forest.
- (3) The only transaction that has taken place is the lodgment of an application for a mining tenement.
- (4) Under the Mining Act no specific minerals need to be mentioned although the stone in the quarry, which Westrail uses as railway ballast, has the potential for dimension stone for railway and architectural purposes, commonly termed "black granite".
- (5) Currently there is no private company involved in a commercial arrangement with Westrail. However, a firm, Freeport Holdings Pty Ltd, has been granted permission to remove some stone from the quarry for evaluation purposes.

EDUCATION - DEPARTMENT  
*East Perth Office - New Telephone System*

3. Mr HASSELL to the Minister for Education:

- (1) What has been the total cost of the new telephone system recently installed at the Ministry of Education building in East Perth?
- (2) What type of system was obtained?
- (3) Was it ordered after the calling of tenders?
- (4) What has been the total cost of the refurbishment of the Education Ministry headquarters in East Perth?
- (5) What was the reason for the refurbishment?
- (6) Has there been a major change in work style within the Education Ministry office in East Perth?

Dr LAWRENCE replied:

- (1) Nil; no new telephone system has been installed since the building was occupied.
- (2)-(3) Not applicable.
- (4) Because a number of Government agencies have responsibility for refurbishing Government buildings it is not possible to readily determine the costs associated with this refurbishment. I will arrange for the costs to be determined and forwarded to the member.
- (5) To increase overall efficiency, a number of branches and sections of the Ministry, previously housed in various external locations, have been consolidated within head office.

- (6) It is not clear what the member means by a "major change in work style".

**PRISONERS - TRIALS**  
*Second Trials - Minimum Parole Period*

4. Mr HASSELL to the Minister representing the Attorney General:

- (1) Is it correct that in circumstances where a new trial is ordered the minimum parole period commences from the time of sentencing at the second trial?
- (2) If so, is it a fact that in the case of conviction again at the second trial the period of imprisonment between the first trial and the second trial is not taken into account in determining the minimum parole period?
- (3) Does the Attorney General agree that this is anomalous because it means that the convicted person is in effect subjected to a further penalty as a result of succeeding in obtaining a new trial?
- (4) Alternatively, is the Attorney General prepared to exercise his discretion to call for a parole report irrespective of the minimum parole period and taking into account the whole time served?

Mr D.L. SMITH replied:

- (1) Yes, unless the sentence is cumulative on some other sentence being served.
- (2) Yes. However, in passing sentence, the court may exercise a discretion to take into account any part of the period in custody, except in the case of indeterminate sentences.
- (3) Not in the case of finite sentences. See (2). In the case of indeterminate sentences, apparent anomalies may arise.
- (4) Yes, when deemed appropriate in specific individual cases.

**WESTERN AUSTRALIAN MEAT MARKETING CORPORATION - BEEF AND MUTTON**  
*Losses*

5. Mr HASSELL to the Minister for Agriculture:

- (1) Is it correct that the WA Meat Marketing Corporation lost \$534 000 on its beef and mutton operation in its last accounting period?
- (2) Is it correct that at the beginning of 1988 the corporation projected a profit of some \$500 000 on "other meats"?
- (3) Has the Minister investigated the reasons for the loss?
- (4) Is the Minister satisfied with the operations of the WA Meat Marketing Corporation?
- (5) If so, does the Minister expect the losses to continue?
- (6) If not, what action is the Minister taking?
- (7) Who is the present chairman and who are the present members of the board of the corporation, and when does the term of each expire?

Mr BRIDGE replied:

- (1)-(2) The WAMMC projected a surplus in excess of \$400 000 for the "other meats" operation for the 1987-88 financial year. The actual result, as reported, was a loss of \$534 000.
- (3)-(4) The WAMMC loss was primarily in beef exporting which was affected by the US chemical residue problem and the triggering of US export quotas. These export factors affected all beef export operations in WA and caused intense competition on the domestic market.
- (5) The WAMMC began trading in "other meats" as of 1 July 1986.

1986-87: A worthwhile surplus was achieved.

1987-88: A loss was recorded as outlined above.

1988-89: Will also run at a loss. The year has been difficult for all mutton export operators because of reduced farm turn-off and high saleyard prices. In addition the strong Australian dollar values have made all returns for meat exports less attractive than in the previous two financial years.

1989-90: It is anticipated that there will be a return to normal sheep turn-off and processing arrangements.

(6) Not applicable.

(7) Chairman: E.N. Fitzpatrick - term expires 2 April 1992.

Members:

A.J. Fewster	Term expires 30/6/91
I.J. Fairnie	Term expires 30/6/91
R.R.J. Lee-Steere	Term expires 30/6/90
J.M. Schaffer	Term expires 30/6/89
B.J. Gabbedy	Term expires 30/6/89
H. McCashney	Term expires 30/6/90
J.B. Newman	Term expires 30/6/91
J. Burston - ex officio	- General Manager WAMMC

# ROBERTSON, GEOFFREY - "BLOOD ON THE WATTLE"

*Video Kit - School Distribution*

6. Mr HASSELL to the Minister for Education:

- (1) Has a video kit of Geoffrey Robertson's hypothetical *Blood on the Wattle* been distributed for use in any schools in Western Australia?
- (2) Is it being used in any schools in Western Australia?
- (3) Does this kit have the endorsement of the Education Ministry or the Minister?

Dr LAWRENCE replied:

- (1) Yes.
- (2) Its use in schools is determined by individual school principals and staffs.
- (3) The kit was a joint production by the ABC and the Federal Attorney General's department. The ABC sought approval to distribute the materials direct to secondary schools in Western Australia. Approval was given by the chief executive officer in September 1988. The approval to distribute the kit does not necessarily signify Ministry endorsement of the various points of view expressed in it.

# AIDS - ADVISORY COMMITTEE

*Terms of Reference*

7. Mr HASSELL to the Minister for Health:

What are the terms of reference of the AIDS Advisory Committee?

Mr WILSON replied:

The functions of the Western Australian AIDS Advisory Committee are:

1. To define policy related to AIDS control in Western Australia.
2. To make recommendations to the Commissioner of Health regarding the allocation of resources in relation to AIDS control.
3. To make recommendations on issues to be considered by the health education and liaison subcommittee and the medical and support services subcommittee.

4. To monitor the proceedings of the health education and liaison subcommittee and the medical and support services subcommittee.
5. To consider recommendations originating from the health education and liaison subcommittee and the medical and support services subcommittee.
6. To resolve conflicts that arise in the provision of educational, medical, and support services in relation to AIDS.
7. To report to the Commissioner of Health and to make recommendations through the commissioner to the Minister for Health.

**AIDS - MEDICAL PRACTITIONERS**  
*Sexual Partners - Compulsory Information*

8. Mr HASSELL to the Minister for Health:

- (1) What consideration has been given to the possibility of making it compulsory for medical practitioners to inform the sexual partner of a known AIDS sufferer of his/her condition?
- (2) If the matter has been considered, by what person or body?
- (3) What report has been made or given?
- (4) If a report has been given, when was that report first made available to the Minister?
- (5) What action is proposed in relation to the report?

Mr WILSON replied:

- (1) The question of the responsibility of medical practitioners in relation to the sexual partner of a known AIDS sufferer has been discussed from time to time by the Chairman of the AIDS Advisory Committee and senior officers in the Health Department of Western Australia.
- (2) See (1) above.
- (3) No reports have been made or given.
- (4)-(5) Not applicable.

**AIDS - ADVISORY COMMITTEE**  
*Members*

9. Mr HASSELL to the Minister for Health:

- (1) What is the name of each person on the AIDS Advisory Committee?
- (2) Who appointed the committee?
- (3) When was each member of the committee appointed?
- (4) When does the term of each member of the committee expire?
- (5) What is the qualification of each member of the committee?
- (6) When did the committee last meet?
- (7) What reports have been prepared by the committee, dealing with what subjects?

Mr WILSON replied:

- (1) Dr J.C. McNulty, Chairman  
Mrs J.M. Anstead, Executive Secretary  
Dr D. Bockman  
Dr M. Bucens  
Mr M. Daube  
Dr R. Dawkins  
Dr A. Keller

Ms M. Kosky  
Mr K. Larkins  
Dr C. Quadros  
Dr K. Sesnan  
Dr K. Wan  
Dr C. Watson  
Dr A. Penman  
Dr W. Hatton

- (2) The committee was set up by the then Minister for Health, Mr Barry Hodge, and the then Commissioner of Public Health, Dr J.C. McNulty. The appointment of members of the committee is the responsibility of the Commissioner of Health.
- (3) Dr J.C. McNulty, medically qualified, public health specialist, former Executive Director of Public Health. Appointed 24 October 1983.  
Mrs J. Anstead, coordinator of bioethics in the Epidemiology Branch of the Health Department. Appointed 21 June 1985.  
Dr D. Bockman, medically qualified, Director of General Medical Services in the Corrective Services Department. Appointed 1 March 1989.  
Dr M. Bucens, medically qualified, specialist biologist, State Health Laboratory Services. Appointed 22 May 1984.  
Mr M.M. Daube, Assistant Commissioner of Public Health. Appointed 25 February 1987.  
Dr R. Dawkins, medically qualified, specialist immunologist, head of the Department of Clinical Immunology at Royal Perth Hospital. Appointed 24 October 1983.  
Dr A. Keller, medically qualified, specialist haematologist, Director of the Red Cross Blood Transfusion Service. Appointed 22 May 1984.  
Ms M. Kosky, Executive Director of the WA AIDS Council. Appointed 10 September 1987.  
Mr K. Larkins, Executive Director, WA Alcohol and Drug Authority. Appointed 1 March 1989.  
Dr C. Quadros, medically qualified, acting Director of Communicable Disease Control. Appointed 22 April 1987.  
Dr K. Sesnan, medically qualified, principal venereologist, Health Department of Western Australia. Appointed 1 March 1985.  
Dr K. Wan, medically qualified, occupational health specialist, representing the Department of Occupational Health, Safety and Welfare. Appointed 25 February 1987.  
Dr C. Watson, medically qualified, Director Health Promotion Services. Appointed 11 December 1985.  
Dr A. Penman, medically qualified, Assistant Commissioner of Health - Country Operations. Appointed 30 November 1988.  
Dr W. Hatton, medically qualified, acting Director of Epidemiology. Appointed 30 November 1988.
- (4) The period of membership is at the discretion of the Commissioner of Health or until such time as an individual departs the office or organisation they represent.
- (5) See (3).
- (6) Wednesday, 1 March 1989.
- (7) The minutes of the meetings of the committee deal with the whole range of issues relating to AIDS control. The committee has not made any formal published reports.



## HEALTH - HOSPITALS

*Rockingham - Outpatients Section, Nursing Staff*

10. Mr HASSELL to the Minister for Health:

- (1) How many nursing staff are on duty at any one time in the outpatients section of the Rockingham Hospital on a weekend or long weekend?
- (2) How many doctors are on duty at the same time?
- (3) What is the average waiting time over weekends?
- (4) Is this hospital experiencing long waiting times over the weekend at present and, if so, why?
- (5) Is the Government considering any action to alleviate the problem and, if so, what action?
- (6) When will that action commence?
- (7) If no action is being taken to alleviate the problem, why not?

Mr WILSON replied:

- (1) From the hours of 7.00 am and 9.30 pm, two nursing staff are on duty in the accident and emergency centre. One nurse outside these hours.
- (2) On Sundays, two medical officers are available between 9.00 am and 6.00 pm. At all other times only one medical officer is available, except on public holidays when rosters are rearranged when possible to have two available.
- (3) Waiting times on the weekends vary considerably. No precise record is kept but an estimate has been given of one and a half hours.
- (4) Waiting times, though not desirable, are inevitable with the provision of this type of service.
- (5) I have previously announced my intention to appoint medical directors for the accident and emergency departments at four metropolitan hospitals; Rockingham/Kwinana Hospital is one of the four. I intend also to extend the availability of on call specialists services at these hospitals to facilitate the care of medical emergencies.
- (6) An expert committee has been examining accident and emergency services and will shortly be submitting a report to the Health Department. This report is expected to include recommendations on the timing of the introduction of these changes and to recommend regarding other strategies that might be followed to improve these services.
- (7) Not applicable.

## HEALTH - MEDICAL RECORDS

*Public Hospitals - Community Services Department, Access*

11. Mr HASSELL to the Minister for Health:

- (1) Is it correct that the Department for Community Services has access to the medical records at public hospitals of the parents of children who come under the notice, scrutiny, care or action of the Department for Community Services?
- (2) Is the Minister aware that the availability of this access to the medical records of such people has been confirmed in recent days?
- (3) What arrangement exists between the two departments in relation to this matter?
- (4) Is it correct that the practice of reference to such records -
  - (a) does not involve the people whose records are accessed being advised of that fact; or
  - (b) their consent being sought?

- (5) What is the policy of the Government in relation to this matter?
- (6) What other persons or departments in Government administration have access to medical records through the Health Department?

Mr WILSON replied:

(1)-(2)

No.

- (3) The Health Department has no arrangement with the Department for Community Services regarding access to the medical records at public hospitals of the parents of children who come under the notice, scrutiny, care or action of the Department for Community Services.
- (4) Not applicable.
- (5) If the question of access by the Department for Community Services to medical records at public hospitals of the parents of children under its notice or care were to arise, such access would not be permitted without the permission of the parents concerned.
- (6) Access by other persons or bodies to medical records held by the Health Department is strictly controlled. Release without the consent of the individuals concerned is permitted only under very special circumstances such as by order of a court of law, or for the purposes of bona fide medical research approved by an institutional ethics committee constituted according to NHMRC guidelines. All requests for release are processed through a confidentiality of health statistics committee. The information provided, if provided at all, is the minimum necessary to the intended purpose, and those to whom it is provided are required to maintain security and confidentiality of the information in accordance with a written code of practice.

**ZHEJIANG TRADE DELEGATION - PERTH VISIT**

*Purpose - WA Exim Corporation, Involvement*

15. Mr HASSELL to the Minister for Economic Development and Trade:

- (1) What is the purpose of the Zhejiang trade delegation visit to Perth?
- (2) What is the involvement of Exim Corporation in this visit?

Mr GRILL replied:

- (1) Zhejiang Province is staging a trade exhibition in the Fremantle Port Authority building from 28 April to 5 May as part of the commercial and cultural development of the sister-State relationship between Western Australia and Zhejiang Province.
- (2) Exim Corporation has been host to Zhejiang's official trade representative in Perth, Mr Hang Xing Miao, for the past 12 months. Exim has been acting as sponsor for the trade exhibition. With the phasing out of Exim, this sponsorship has transferred to the Ministry for Economic Development and Trade.

**R & I BANK - GOVERNMENT FINANCE**

*Advance, July 1, 1988*

16. Mr HASSELL to the Treasurer:

- (1) Since 1 July 1988 has the Government advanced any money by way of loan, capital or otherwise to the Rural and Industries Bank?
- (2) If so, what advance was made, and in what circumstances?
- (3) In the same period has the Government guaranteed any borrowings at any time by the Rural and Industries Bank?

Mr PARKER replied:

(1)-(2)

No special advances have been put in place. However, the Government has dealt with the Rural & Industries Bank in respect of its investment of short

term moneys and in relation to the indemnity provided in respect of Teachers Credit Society.

- (3) The Rural and Industries Bank Act contains a statutory Government guarantee of the bank's total operations, including all borrowings.

#### GOVERNMENT EMPLOYEES SUPERANNUATION BOARD - GOVERNMENT FINANCE

*Advance, July 1, 1988*

17. Mr HASSELL to the Treasurer:

- (1) Since 1 July 1988 has the Government made any special advance of funds, made any special loan, or guaranteed any borrowings by the Government Employees Superannuation Board?
- (2) Has the Government made any payment or advance other than in accordance with the estimates provided in the Budget to the Government Employees Superannuation Board?

Mr PARKER replied:

- (1)-(2)  
No.

#### PRISONERS - AIDS TESTS *Western Australia - Statistics*

18. Mr HASSELL to the Minister representing the Minister for Corrective Services:

- (1) How many AIDS tests have been carried out to date on Western Australian prisoners?
- (2) How many prisoners have been tested?
- (3) What percentage of the prison population has been tested?
- (4) How many test results are positive?
- (5) How many prisoners with AIDS or the AIDS virus are now in prison?
- (6) In what way are such prisoners treated?
- (7) Are such prisoners segregated and, if so, under what arrangements?

Mr D.L. SMITH replied:

The current policy provides that all prisoners received, except those serving a very short - for example, a few days - sentence, are assessed by medical staff for risk behaviour. Those prisoners giving a history of high risk behaviour are tested. Full assessment procedures were implemented approximately nine months ago and the following responses to parts (1) to (4) are based on that time frame -

- (1) Approximately 400 tests.
- (2) Approximately 360 prisoners.
- (3) Approximately 10 per cent.
- (4) Three. In each case these were "confirmation" tests on prisoners who reported as HIV positive on receipt into prison. No other tests have shown a positive result.
- (5) Three male remand prisoners.
- (6) The regular medical service of the department is provided.
- (7) Yes, in the AIDS unit of the Fremantle Prison infirmary.

#### CORPORATE AFFAIRS DEPARTMENT - FINANCIAL INSTITUTIONS *Auditing Standards - Report*

19. Mr MacKINNON to the Minister representing the Attorney General:

- (1) Has the Corporate Affairs Department yet reported on the auditing standards as currently applied to deposit-taking institutions?

- (2) If so, what were the conclusions contained in that report?
- (3) If that report is yet to be completed, when is it anticipated that it will be completed?

Mr D.L. SMITH replied:

- (1) No.
- (2) Not applicable.
- (3) The Corporate Affairs Department has held discussions with the accounting profession. As a result the question of auditing standards for financial institutions has been referred to the Australian Accounting Research Foundation to draft a new Auditing Practice Statement for financial institutions. There is, as yet, no indication as to when this task will be completed.

**CORPORATE AFFAIRS DEPARTMENT - EMPLOYEES**  
*Investigative Officers - Statistics*

20. Mr MacKINNON to the Minister representing the Attorney General:

- (1) How many investigative officers are currently employed by the Corporate Affairs Department?
- (2) What was the number employed in the investigative division of the department as at 1 July 1988?
- (3) Are there any extra officers employed in this division and, if so -
  - (a) are these new appointments; or
  - (b) persons reallocated to that division from within other areas of the Corporate Affairs Department?

Mr D.L. SMITH replied:

- (1) There are currently 26 investigators in the investigations and litigation division.
- (2) Twenty.
- (3)(a)-(b)  
In addition to the 26 officers referred to in (1), two additional officers have been reallocated to investigation duties from within the division.

**CORPORATE AFFAIRS DEPARTMENT - FINANCIAL INSTITUTIONS**  
*Monitoring Unit - Establishment*

21. Mr MacKINNON to the Minister representing the Attorney General:

- (1) When will the deposit-taking institutions monitoring unit be established within the Corporate Affairs Department?
- (2) If the unit has already been established, how many persons have been allocated to the unit?
- (3) Have extra staff been employed to undertake these duties?
- (4) Have personnel within Corporate Affairs or divisions of Corporate Affairs been assigned to the unit.

Mr D.L. SMITH replied:

- (1) It has already been established.
- (2) Two.
- (3) Yes.
- (4) No.

## STATE GOVERNMENT INSURANCE COMMISSION - PREMIER

*Details - Details*

22. Mr MacKINNON to the Premier:

- (1) Bearing in mind the comments made by the Auditor General in his First Report dated 18 January 1989, and the comments made by the Commission on Accountability on the State Government Insurance Commission, will the Premier detail all directions given to the SGIC by him as the responsible Minister during the year ended 30 June 1988 and from 1 July 1988 until today's date?
- (2) If not, why not?
- (3) Will the Premier also detail the directions given by the State Government Insurance Commission to the State Government Insurance Corporation during the same periods?
- (4) If not, why not?

Mr PETER DOWDING replied:

- (1) Yes. There were none.
- (2) Not applicable.
- (3) Under section 36 of the State Government Insurance Commission Act the SGIC may direct the corporation generally or with respect to particular matters. The Insurance Commission has given direction to the corporation on operational matters. The question is not clear on what it means by 'directions'.
- (4) Not applicable.

## WA DEVELOPMENT CORPORATION - WA EXIM CORPORATION

*Review*

25. Mr MacKINNON to the Premier:

- (1) Who is currently conducting the review of the Western Australian Development Corporation and EXIM as was reported in the Premier's statement of 7 November 1988?
- (2) When did that review begin?
- (3) When is it anticipated that the review will be completed?
- (4) What are the terms of reference of that review?

Mr PETER DOWDING replied:

- (1)-(4) As has been publicly stated the Government is currently considering the future of the Western Australian Development Corporation. The Government has made its position on Exim clear.

## GOVERNMENT AGENCIES - INVESTMENT POWERS

*Review*

26. Mr MacKINNON to the Premier:

- (1) Who is carrying out the review of the investment powers of all Government agencies with a view to the abolition of those powers in appropriate circumstances as outlined by the Premier in his media statement of 7 November 1988?
- (2) Has the review been completed yet?
- (3) If so, what was the result of the review?
- (4) If not, when is it expected that the review will be completed?

Mr PETER DOWDING replied:

- (1) Government officers.

(2)-(4)

The results of the review will be announced when it is completed.

**MARKETS - MARKET CITY**

*Agent Tenants - Government Assistance*

27. Mr MacKINNON to the Minister for Agriculture:

- (1) What assistance or support has been offered by the Government to lessees at the West Perth markets who will in due course be agent tenants at the Market City to reduce the costs of their relocation?
- (2) With respect to that offer of assistance, how much assistance has actually been provided to those agent tenants who will be transferring?
- (3) When is it expected that the new Metropolitan Markets known as Market City will in fact be open for business?

Mr BRIDGE replied:

- (1) The Government has offered once only assistance up to a total of \$1 million for market agents relocating at Market City.
- (2) None at this time. The Metropolitan Market Trust is currently finalising the administrative detail of the scheme with market agents.
- (3) The date that Market City will open for business depends on the construction completion date. The trust hopes to be able to have occupancy before the end of July 1989.

**OFFICIAL CORRUPTION COMMISSION BILL - PROCLAMATION**

28. Mr MacKINNON to the Minister representing the Attorney General:

- (1) Is the Premier aware that the Official Corruption Commission Bill was assented to by the Governor on 8 December 1988?
- (2) When will that Act now be proclaimed?
- (3) When will the commission be appointed?

Mr D.L. SMITH replied:

(1)-(3)

See answer to question 82.

**ARTS - FILM COUNCIL**

*Members*

29. Mr MacKINNON to the Minister for The Arts:

- (1) Who are the members of the Film Council of Western Australia?
- (2) What are their terms of appointment?
- (3) What is their remuneration?
- (4) During the current financial year, what grants did the Film Council make and to whom?
- (5) Is the Government planning any changes to the structure or work carried out by the Film Council and, if so, -
  - (a) what is the nature of the changes proposed; and
  - (b) when is it likely that they will be implemented?

Mr PARKER replied:

- (1) Mr Leonard Downs, Chairman  
Mr Steven Jodrell  
Mr Carmelo Musca  
Ms Irma Whitford

Ms Glenda Hambly and Mr David Moore retired on 14 March 1989.

- (2) One quarter of the members retire from office on the first day of December in

each year. Those members who have been longest in office retire in each year and as between persons who become members on the same day the members to retire are determined by lot. A retiring member is eligible for re-election.

- (3) Chairman receives \$97 and members \$73 a half day remuneration for meetings and \$25 an hour for meeting preparation time.
- (4)
- |          |  |
|----------|--|
| \$ 3 224 | Nomad Films International Pty Ltd          |
| \$ 3 498 | Script Assessing/Editing Seminar           |
| \$16 143 | Australian Screen Associates Limited       |
| \$ 1 067 | John Rapsey                                |
| \$ 1 920 | Australian Writers' Guild (WA Branch)      |
| \$ 2 138 | West Neg                                   |
| \$ 7 500 | Australian Film Institute                  |
| \$ 5 000 | Film and Television Institute (WA) Inc     |
| \$ 5 000 | Young Films                                |
| \$ 5 000 | PIMM proposals                             |
| \$ 2 850 | Ray Swarts                                 |
| \$11 376 | Soundstage Australia Limited               |
| \$ 5 037 | Screen Producers' Association of Australia |
|          | "Take 3 Conference"                        |

\$69 753

- (5) (a) The abovementioned recently retired members will be replaced. The work of the council, which has recently been revised to provide for the Federal Government's new Film Finance Corporation, will for the time being continue to reflect this new strategy.
- (b) Suitable replacements for the recently retired members of the council are currently being considered and will be announced in due course.

**HEALTH DEPARTMENT - DONOVAN RESEARCH**  
*Agency - Research, Purpose and Nature*

30. Mr MacKINNON to the Minister for Health:

- (1) Has any agency under the Minister's control conducted any research through Donovan Research in recent months?
- (2) If so, what agency?
- (3) What was the purpose and nature of the research?

Mr WILSON replied:

- (1) Yes.
- (2) The Epidemiology Branch and Health Promotion Services.
- (3) (a) The Epidemiology Branch has conducted the following research, funded by TVW Telethon Foundation, through Donovan Research in recent months -

October to December 1988 -

Nature - voluntary, anonymous and random doorknock survey of factors affecting family growth.

Purpose - to provide basic information on the prevalence of infertility in this community, and to provide information on the prevalence and importance of some risk factors for infertility, such as pelvic infection.

It is of interest to get this baseline data on infertility to provide for future planning of health services in the area. Currently 50 per cent of the cost of IVF type treatments is met by the Government - mainly Medicare. There is also extensive stress in our neonatal facilities at King Edward Memorial Hospital

caused by the high numbers of multiple births following IVF procedures.

March 1989 -

Nature - validation by Donovan Research of certain items in the family growth survey for some of the women who voluntarily gave Christian names and telephone numbers for this purpose.

Purpose - to complete data collection for the family growth survey.

- (3) (b) Health Promotion Services Branch has conducted the following research through Donovan Research in recent months -

December 1988 to January 1989 -

Nature - Evaluation of Drinksafe festive campaign.

Purpose - To measure the impact and effectiveness of some of the components of the Drinksafe festive season phase.

February 1989 -

Nature - background qualitative research for proposed young drinkers phase of Drinksafe campaign.

Purpose - to investigate some of the parameters of drinking behaviour in young adults aged 18-25 years.

#### ROADS - ROE HIGHWAY

##### *Tonkin Highway-South Street Extension - High Priority*

31. Mr FRED TUBBY to the Minister for Transport:

- (1) (a) Is the extension of Roe Highway from Tonkin Highway to South Street considered a high priority;
- (b) if so, why; and
- (c) if not, why not?
- (2) (a) What is the anticipated extension date for the extension of Roe Highway from Tonkin Highway to South Street; and
- (b) what is the anticipated completion date for the Roe Highway extension?
- (3) (a) Is the realignment of Brookton Highway along Chevin Road, Mills Road East and Mills Road West considered a high priority;
- (b) if so, why; and
- (c) if not, why not?
- (4) (a) What is the anticipated commencement date for the realignment of Brookton Highway, including the Gosnells by-pass;
- (b) what is the anticipated completion date for this realignment?
- (5) (a) Is it intended that the responsibility for Mills Road East be transferred to the Main Roads Department;
- (b) if not, why not; and
- (c) if so, when?

Mr PEARCE replied:

- (1) Yes - to cater for the planned growth of the Perth region and for existing traffic demands.
- (2) The construction timetable is dependent upon future levels of Federal road funding.
- (3)-(4) There are no current plans to realign Brookton Highway.



- (5) The road is properly classified as one for which local government is responsible. Consequently, there are no current plans to reclassify this road.

#### GOVERNMENT ADVERTISING - FALSE ADVERTISEMENTS

##### *Government Departments - Legislation Coverage*

32. Mr FRED TUBBY to the Minister for Consumer Affairs:

- (1) Are State Government departments covered by legislation which encompasses false advertising?
- (2) If not, why not?
- (3) If so, what action was taken against the Department for Community Services for a poster entitled "A Guide to State Concessions and Discounts Provided by the Government of Western Australia," which was displayed before, during and after the State election in February?

Mrs HENDERSON replied:

- (1) No.
- (2) All legislation in States, Territories and the Commonwealth covering advertising deals only with the advertising of commercial transactions.
- (3) Not applicable.

#### FORESTRY - BLACKWOOD VALLEY

##### *Pine Plantings*

33. Mr OMODEI to the Minister for Conservation and Land Management:

- (1) Is the Minister aware of any intention to plant further areas of the Blackwood Valley with pine;
  - (a) if so, when are plantings expected to commence;
  - (b) what area is proposed to be planted in 1989; and
  - (c) is the Minister considering native species for plantings in the place of pines?
- (2) What extra precautions are to be taken for fire control considering the large area of pine plantations?

Mr TAYLOR replied:

- (1) Yes -
  - (a) June 1989;
  - (b) 580 hectares; and
  - (c) 10 hectares in 1989 for boundary improvement and landscaping reasons. Primarily land was purchased for the purpose of establishing pine forests as per the timber strategy endorsed by Government.
- (2) Additional firebreaks will be established adjoining all boundaries. Additional roads will be constructed. This will also facilitate access for fire control. Within each plantation cell, strategic and high risk fuel reduced buffers will be established.

#### KARRI D'ENTRECASTEAUX MANAGEMENT COMMITTEE

##### *Current Status*

34. Mr OMODEI to the Minister for Conservation and Land Management:

- (1) What does the Minister consider the current status to be of the karri D'Entrecasteaux management committee?
- (2) Who are the current members of the committee and when do their terms expire?
- (3) How often does the committee meet and when was its last meeting?

Mr TAYLOR replied:

- (1) The karri d'Entrecasteaux management committee is a very valuable community advisory committee which reports to me through the Executive Director, Department of Conservation and Land Management.
- (2) Alan Walker, Jim Lamb, George Germantse, Frank Lovi, George Adams, Mavis Daubney, Molly Smith, David Hulcup, Mario Camarri, Eddie Valom, Horace Mabey, Dave Evans, Robert Hunter and Margaret Larson. Membership has no fixed term.
- (3) The committee usually meets monthly and conducts various field trips, sometimes in lieu of the formal monthly meeting.

**EDUCATION - HIGH SCHOOLS**

*Pemberton - Construction*

35. Mr OMODEI to the Minister for Education:

- (1) Does the Minister know if the siting of the Pemberton school has been finalised?
- (2) If so, what funds have been allocated to the construction of the school?
- (3) When would the construction phase begin?
- (4) Would the local community be consulted on the design of the buildings?
- (5) What does the Minister consider total capital costs of the building will be?

Dr LAWRENCE replied:

- (1) Discussions have been held locally on the siting of a possible replacement school and one location has been favoured. The siting has not therefore been finalised.
- (2) Funding was provided in the current financial year to commence planning for improvements - either by replacement or by upgrading.
- (3) Funding for actual building work will be dependent upon the Capital Works Budget for 1989-90.
- (4) Local consultation will be held.
- (5) Firm estimates have not yet been prepared.

**EDUCATION - HIGH SCHOOLS**

*Northcliffe - Construction Commencement*

36. Mr OMODEI to the Minister for Education:

- (1) Does the Minister know when the construction of the Northcliffe school will commence?
- (2) If so, what is the construction schedule to be?

Dr LAWRENCE replied:

(1)-(2)

The costs associated with work at this school are currently being examined and, with the tender prices being substantially over the allocation, the status of the project is also being reassessed.

**WATER RESOURCES - MANJIMUP**

*Upgrading - Works Timetable*

37. Mr OMODEI to the Minister for Water Resources:

- (1) Does the Minister know the current timetable of works for the upgrading of the Manjimup town water supply?
- (2) If so, what will the capital works costs be?

Mr BRIDGE replied:

- (1) Yes. Manjimup Dam will be raised to double its capacity by April 1991.

Further works necessary to secure Manjimup water supply will be determined following analysis of hydrographic data from Record Brook and further engineering design to determine the most acceptable option.

- (2) The estimated cost of raising Manjimup Dam is \$500 000.

#### AGRICULTURE - PESTICIDES

##### *Government Assistance Program - Current Status*

38. Mr OMODEI to the Minister for Agriculture:

- (1) What does the Minister consider the current status of the Government's pesticide assistance program to be?
- (2) Does the Minister intend the current scheme to continue and, if so, for what period of time?
- (3) For what period of time does the Minister consider the "buy back" scheme will continue?
- (4) For how long will the Government continue the free "fat testing" of cattle?
- (5) Is the Government considering compensation for chemical affected properties?

Mr BRIDGE replied:

- (1) The Government's pesticide program was developed in response to an urgent trade problem. The program was designed to address specific problems faced by affected property owners, and has been described by the Western Australian Farmers Federation as being far ahead of others in Australia.
- (2)-(4) The Government has previously announced that the assistance program will remain in place until 30 April 1990 when it will be reviewed. I see no need to alter this situation.
- (5) No.

#### ENERGY - POWER PLANT

##### *Windy Harbour - Construction*

39. Mr OMODEI to the Minister for Fuel and Energy:

- (1) When does the Minister think the proposed power plant for Windy Harbour will be constructed?
- (2) Why has the autumn 1989 timetable not been adhered to?
- (3) What kind of power plant is the Minister proposing for Windy Harbour; for example, stand alone, wind power, overhead power line?
- (4) Does the Minister intend to review his decision not to have overhead power for Windy Harbour?

Mr CARR replied:

- (1)-(4) The State Energy Commission of WA had proposed to meet the small power demands of the Windy Harbour community by an overhead distribution line from Northcliffe which could have been installed by autumn 1989. This proposal was rejected by the Environmental Protection Authority in September last year. SECWA was subsequently asked to develop a stand alone power supply for Windy Harbour. As indicated in SECWA's submission to the EPA, there are technical difficulties in supplying power from stand alone generation plant for the small and variable loads involved in servicing such communities as that at Windy Harbour. SECWA is seeking advice from tertiary institutions and research authorities both in WA and nationally to see whether a technically acceptable solution to this problem is available. That review is not yet complete and I will inform the member of the outcome.

**EDUCATION - HIGH SCHOOLS**

*Bridgetown - Library and Administration Block, Upgrading*

42. Mr OMODEI to the Minister for Education:

- (1) Does the Minister intend to upgrade the Bridgetown Junior High School library resource centre and administration block?
- (2) If yes, what is the proposed timetable?
- (3) Has the Bridgetown P & C Association been advised of any timetable?

Dr LAWRENCE replied:

- (1) Yes.
- (2) The project is listed for consideration for inclusion in the 1989-90 Budget, subject to the availability of funds.
- (3) The Parents and Citizens' Association has not been advised of (2) above.

**HEALTH - OPTOMETRISTS REGISTRATION BOARD**

*Appointment*

43. Mr BRADSHAW to the Minister for Health:

- (1) Has the new Optometrists Registration Board been appointed?
- (2) Why was there a delay in the appointment of the board?
- (3) Was the board appointed in accordance with the statutory requirements?
- (4) Who are the members of the board?

Mr WILSON replied:

- (1) Yes.
- (2) A slight delay occurred because two original nominees declined their nomination.
- (3) Yes. Membership of the board complies with section 5(3) of the Optometrists Act 1940.
- (4) Members are -

Mrs C.Y. Kannis (Chairman)  
Miss A.J. Smith  
Mrs A.E. Tidman  
Mr D.P. De Caux  
Mr P.N. Levi  
Mr J.G. Kirkwood  
Dr J.B. Swan  
Dr M.K. Wham

**MOSQUITOES - CONTROL**

*Mandurah-Murray/Australind-Eaton Regions - Health Department,  
Treatments 1988-89*

44. Mr BRADSHAW to the Minister for Health:

- (1) What dates in 1988 and 1989 did the Health Department treat the Mandurah-Murray and Australind-Eaton regions for mosquito control?
- (2) Why was no action taken until there had been media publicity pointing out the sudden increase in the number of people contracting Ross River virus?
- (3) How many people in Western Australia have been recorded as having contracted Ross River virus this summer?
- (4) What program has been put in place for control of mosquito numbers?
- (5) Why have the recommendations of the report by the Health Department into mosquitoes not been implemented?

- (6) When can the people in the south west expect the recommendations to be carried out?

Mr WILSON replied:

- (1) 21-22 December 1988: The Mandurah-Murray and Australind-Eaton regions were treated with adulticide applied by fogging.  
 20 January 1989: The Australind-Eaton region was treated with adulticide applied by fogging.  
 21-23 January 1989: The Mandurah-Murray region was treated with adulticide applied by fogging.  
 27 January 1989: The Mandurah-Murray region was treated with larvicide applied by helicopter.  
 9 February 1989: The Mandurah-Murray and Australind-Eaton regions were treated with larvicide applied by helicopter.  
 19 February 1989: The Mandurah-Murray region was treated with larvicide applied by helicopter.  
 3 March 1989: The Mandurah-Murray and Australind-Eaton regions were treated with larvicide applied by helicopter.  
 17-18 March 1989: The Mandurah-Murray region was treated with adulticide applied by fogging.
- (2) The first action taken was to issue a public warning to people in the south west, including specific precautions on how to avoid being bitten by mosquitoes. At the same time, the Health Department released statistics on the number of cases of Ross River virus infection in the Mandurah-Murray and Australind-Eaton regions during corresponding periods in 1986, 1987 and 1988. The Health Department's warning and the statistical information was used in the first media publicity on the matter. The initial treatment referred to in the answer to question (1) was planned to coincide with the first flush of newly emerged adult mosquitoes anticipated after this warning.
- (3) The number of notifications received by the Health Department for the period 1 December 1988 to 28 February 1989 was 346.
- (4) On 12 January 1989 the Premier announced special funding of \$500 000 over two years for short and longer term control measures, research and education to counter the mosquito problem in the south west. Details were subsequently given in a document entitled "Interim Strategy for Mosquito Control in the Peel Inlet and Leschenault Estuary Regions", which has been distributed to all relevant local authorities. In summary, the program of action involves -
- (a) Aerial application of granular larvicide.
  - (b) Drainage and filling of 15 designated sites where mosquitoes are known to breed.
  - (c) A public awareness campaign to inform residents and visitors in the south west of the risk of infection with the Ross River virus.
  - (d) A research and monitoring program coordinated by the Health Department.
- (5) I assume the member is referring to a report on a survey of mosquitoes in the Mandurah region which was produced by the Health Department in December 1988. The recommendations in this report included aerial application of larvicide and earthworks to a number of mosquito breeding sites. These recommendations have been substantially incorporated into the interim strategy referred to in the answer to question (4), and implementation has already commenced, other than for the earthworks.
- (6) As mentioned in the answer to question (5), some of these recommendations are already being carried out. The earthworks will be carried out when the

breeding areas in question dry out sufficiently to permit access by suitable earthmoving equipment for drainage and filling purposes. This is planned to commence in approximately November, subject to seasonal tidal conditions. If earthworks commenced prematurely more damage than good would be achieved because at this stage the ground is too soft. All areas designated for earthworks as a mosquito control measure are, however, currently being treated through aerial application of granular larvicide as an interim measure.

**LOCAL GOVERNMENT, DEPARTMENT OF - EFFICIENCY AUDITS**  
*Shire/City Councils*

45. Mr BRADSHAW to the Minister representing the Minister for Local Government:

- (1) Are efficiency audits of local government shires or city councils carried out by the Department of Local Government?
- (2) Are comparisons of similar sized, revenue equivalent local government authorities undertaken?
- (3) Does the Department of Local Government carry out any studies to determine the efficiency of local government?

Mr D.L. SMITH replied:

- (1) Efficiency audits are not carried out by the Department of Local Government; rather, local government auditing is carried out by the private sector.
- (2) Not with respect to efficiency audits. However, the Local Government Grants Commission distributes annual information profiles to local governments. These contain raw data that may be used by local governments for comparison.
- (3) No; however, the Department of Local Government is investigating the possibility of piloting value for money projects.

**STATE GOVERNMENT INSURANCE COMMISSION - INSURANCE CLAIMS**  
*Backlog - Tenders*

46. Mr COURT to the Treasurer:

- (1) Did the State Government Insurance Commission call tenders from solicitors to help handle the processing of motor vehicle insurance claims and personal injury claims because there was a large backlog within the SGIC?
- (2) If yes to (1) -
  - (a) why were these services required; and
  - (b) who were the successful tenderers?

Mr PARKER replied:

- (1) No.
- (2) Not applicable.

**STATE ENERGY COMMISSION - ADVERTISING**  
*Safety Awareness - Misinterpretation Concern*

47. Mr COURT to the Minister for Fuel and Energy:

- (1) Is the State Energy Commission of Western Australia to continue with its "Uncle Arthur" type of advertising, supposedly promoting safety awareness?
- (2) Is SECWA concerned that these ads could be misconstrued by children?

Mr CARR replied:

- (1) The campaign has concluded. No decision on future campaigns has been made.
- (2) SECWA has no evidence to suggest that the advertisements have been misconstrued by children.

GOLD CORPORATION - RESERVE BANK LICENSING STATUS  
*Preparation*

50. Mr COURT to the Premier:

- (1) What stage is Gold Corporation at in preparing itself for full reserve bank licensing status?
- (2) What has been the cost to date of this preparation?
- (3) Will the Rural and Industries Bank be taking over those banking functions proposed by the Gold Corporation and, if so, when?

Mr PETER DOWDING replied:

- (1) As the member has been advised previously, as a State bank the proposed Gold Bank would not require a banking licence from the Commonwealth, but, as a matter of policy, it has been decided to proceed towards supervision by the Reserve Bank of Australia, including meeting RBA prudential and other requirements.
- (2) The costs of working towards RBA supervision cannot be easily identified separately from the other costs involved in the establishment of banking operations.
- (3) Discussions have been going on between the R & I Bank and Gold Corporation about the possibility of Gold Bank becoming a subsidiary of the R & I. These discussions are continuing and the R & I has indicated it is likely to make an offer to the Government.

STATE GOVERNMENT INSURANCE COMMISSION - BELL GROUP SHARES  
*Bond Corporation - Roll Over, Government Direction*

51. Mr COURT to the Treasurer:

- (1) Did the Government direct the State Government Insurance Commission to roll over its Bell Group shares deal with the Bond Corporation?
- (2) If yes to (1), when was this direction given?

Mr PARKER replied:

- (1) No.
- (2) Not applicable.

MINERALS - COAL MINING  
*Costs - Interstate Comparison*

52. Mr COURT to the Minister for Resources Development:

- (1) How does the cost of coal mined in Western Australia compare with the cost of coal mined in other states of Australia?
- (2) What is the calorific value of this coal as compared with that of the major coal mines in other states?

Mr PARKER replied:

- (1) The value of coal mined in Western Australia in 1987-88 as compiled by the Department of Mines was \$150 965 157. The total tonnage was 3 701 942 giving an average value of \$40.8 a tonne. Coal mined for domestic power generation in the Eastern States is subject to confidentiality provisions in supply contracts. However, steaming coal mined for export in 1987-88 typically attracted world market prices of approximately US\$35 a tonne f.o.b. for coal having 28MJ/kg heating value.
- (2) The heating value of Collie coal is approximately 20MJ/kg.

EDWARDS, MR KEVIN - GOVERNMENT EMPLOYMENT  
*Connections - Remuneration*

53. Mr COURT to the Deputy Premier:

- (1) What connections does Mr Kevin Edwards still have with Government operations?
- (2) What is his remuneration for this work?

Mr PARKER replied:

- (1)-(2)  
None.

TAXES AND CHARGES - GOLD TAX LEVY  
*Government Policy*

54. Mr COURT to the Minister for Mines:

- (1) Will the Government be continuing its push for gold mining companies to pay voluntary levies based on their gold production?
- (2) How much money has been raised from this levy system since its introduction?
- (3) What is it expected to bring for the financial year finishing 30 June 1989?

Mr CARR replied:

- (1) The Government has not pushed companies for a voluntary levy on gold production. Where companies have taken the initiative to support local communities or local development, the Government has welcomed such actions.
- (2) It is understood that Bond International Gold is currently establishing a trust fund for community and regional development in the Kalgoorlie-Boulder area.
- (3) While no funds have been paid into the trust pending its formal establishment, Bond International Gold is committed to funding the trust once all the legalities have been completed. The level of funding is a matter for Bond International Gold.

COMMUNICATIONS - TELEPHONE TAPPING  
*Tape Transcripts - Government Access*

55. Mr COURT to the Premier:

- (1) Has the Government been given access over the past two years to the transcripts of tapes from telephone taps?
- (2) If yes, how many transcripts have been received and on what subjects?

Mr PETER DOWDING replied:

- (1)-(2)  
To the best of my knowledge the only transcripts of the sort referred to of which I have any knowledge are those which various journalists drew my attention to last year, and which have been made available to the Opposition, and which have been the subject of inquiries by this Parliament.

MINERALS - URANIUM MINING  
*Federal Policy - Review, State Input*

56. Mr COURT to the Minister for Resources Development:

- (1) What input is the Western Australian Government having into the Australian Labor Party's review on its policy for uranium mining and export?
- (2) When is it envisaged this review will be completed?

Mr PARKER replied:

- (1) The Western Australian Government will provide material of a factual nature



concerning existing prospects to the committee. I am a member of the committee conducting the review.

- (2) The committee is expected to complete its review by the end of 1989 when it is due to report to the ALP National Executive.

#### INDUSTRIAL DEVELOPMENT - AMMONIA UREA PLANT *Development - Feasibility*

57. Mr COURT to the Minister for Economic Development and Trade:

- (1) What are the main factors stopping the development of an ammonia urea plant in Western Australia?
- (2) Are there indications internationally that this plant could become feasible in the near future?

Mr GRILL replied:

- (1) The Government was advised by the proponents of an ammonia urea plant in Western Australia that the current depressed world price of ammonia urea is militating against any consideration of an ammonia urea plant in Western Australia.
- (2) According to the plant proponents, the plant can become feasible only on change of market conditions and this is not anticipated in the near future.

#### PETROLEUM - EXPLORATION *Expenditure, 1989*

58. Mr COURT to the Minister for Mines:

- (1) What will be the level of expenditure on oil exploration in 1989 in Western Australia?
- (2) Does the Government have a forecast for oil exploration in Western Australia in 1990?
- (3) If yes, what is this forecast?

Mr CARR replied:

- (1) It is expected that over \$160 million will be expended on petroleum exploration in 1989.
- (2) Yes, based on known commitments by the tenement holders.
- (3) In 1990, based on obligated work, exploration expenditure should be over \$170 million.

#### ENERGY - POWER STATION, COAL FIRED *Collie - Planning*

59. Mr COURT to the Minister for Fuel and Energy:

- (1) At what stage is planning for a new major coal fired power station at Collie?
- (2) When will this station commence operation?
- (3) What will be the capacity of this new station?

Mr CARR replied:

(1)-(3)

Present planning indicates a major new coal fired power station will be required in the mid 1990s, with the first unit commissioned in October 1994 followed by a second unit 12 months later. The final size of the station will depend on detailed tenders received, but is likely to comprise two units of 250-300MW capacity each. Expressions of interest were invited on Tuesday, 28 March from parties interested in assisting the State Energy Commission of WA with the installation of this plant, on the basis of -

- (a) project management, ownership and operation by SECWA; or
- (b) turnkey construction, with ownership and operation by SECWA; or

- (c) construction, ownership and operation by private enterprise.

STATE ENERGY COMMISSION - POWER GENERATION CAPACITY  
*South West*

60. Mr COURT to the Minister for Fuel and Energy:

- (1) What is the power generation capacity for the State Energy Commission of WA in the South West Land Division at present?
- (2) What new power generation capacity will be required over the next six years?
- (3) How will this new capacity be delivered?

Mr CARR replied:

- (1) The installed capacity on SECWA's south west interconnected system is presently 2100MW.
- (2) Approximately 1000MW.
- (3) SECWA's proposed plant program for the next six years is -

Service Date	Unit	Plant
October 1989	Mungarra 1	36MW Gas Turbine
November 1989	Mungarra 2	36MW " "
December 1989	Kalgoorlie 2	36MW " "
March 1990	Pinjar 1	36MW " "
April 1990	Pinjar 2	36MW " "
September 1990	Pinjar 3	36MW " "
September 1990	Pinjar 4	36MW " "
October 1990	Pinjar 5	36MW " "
November 1990	Pinjar 6	36MW " "
November 1990	Pinjar 7	36MW " "
December 1990	Mungarra 3	36MW " "
October 1992		2 x 36MW Gas Turbine
October 1993		1 x 36MW Gas Turbine
October 1994		1 x 250MW Coal-fired unit
October 1995		1 x 250MW Coal-fired unit

STATE ENERGY COMMISSION - POWER SALES  
*Projections, 1990-95*

61. Mr COURT to the Minister for Fuel and Energy:

What projections has the Government prepared for State Energy Commission power sales for the years -

- (a) 1990;
- (b) 1991;
- (c) 1992;
- (d) 1993;
- (e) 1994; and
- (f) 1995?

Mr CARR replied:

SECWA projections of future power sales from the south west interconnected grid are -

Year ended 30 June	Sales (GWH)
1990	8 106
1991	8 711
1992	9 214
1993	10 163
1994	10 478
1995	10 773

#### INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

##### *Non-recourse Finance*

62. Mr COURT to the Minister for Resources Development:

- (1) Will the Government stand by its original promise that the project finance for the PICL plant will be acquired on a non-recourse basis?
- (2) If yes, who is arranging this finance?
- (3) When will this finance package be completed?

Mr PARKER replied:

- (1) The basis upon which finance will be provided to the petrochemical project is a matter between the banks and the company, but I can confirm that the Government will not be providing a guarantee of PICL's obligations.
- (2) Project finance for the petrochemical plant is being arranged with the banks by Petrochemical Industries Co Ltd.
- (3) Mid year.

#### INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

##### *WA Government Holdings Ltd - Interim Finance*

63. Mr COURT to the Minister for Resources Development:

- (1) What is the extent of the "interim" finance being provided by WA Government Holdings to the PICL project?
- (2) Is the Bond Corporation contributing an equivalent amount of finance as a part of this interim package?
- (3) Over what period of time will this finance be required?

Mr PARKER replied:

- (1) Interim finance provided by WA Government Holdings is not expected to exceed \$75 million.
- (2) No.
- (3) Finance being arranged by PICL should allow the interim finance to be repaid by mid year.

#### INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

##### *Non-recourse Finance - Completion Date*

64. Mr COURT to the Minister for Resources Development:

As the Minister said in January 1989 that the non-recourse finance for the petrochemical project will be completed in March or April -

- (a) will the Minister please explain if the package has been put together; and
- (b) will it be completed in April?

Mr PARKER replied:

Discussions with the arranger banks are continuing and a financing structure has been agreed between Petrochemical Industries Co Ltd and the banks. The financing package is subject to finalisation of plant sizing which is currently under review and expected to be completed by mid year.

# INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

## *Water Sources - Recycled Waste Water*

67. Mr COURT to the Minister for Resources Development:

Will recycled waste water be used as the major source of water for the petrochemical project if it is constructed at Kwinana?

Mr PARKER replied:

The use of recycled waste water effluent for the petrochemical project is still under investigation by the company, but they have stated their desire to use recycled effluent and there should be no technical difficulties in this regard.

# INDUSTRIAL DEVELOPMENT - PETROCHEMICAL PROJECT

## *Water Sources - Water Requirements*

68. Mr COURT to the Minister for Resources Development:

What will be the water requirements for the petrochemical project if it is constructed at Kwinana, and from what sources will this water be derived?

Mr PARKER replied:

The total requirements are approximately 4.8 million cubic metres a year if the water all comes from the Water Authority system. If the petrochemical company uses recycled effluent for cooling water, the potable water use will be reduced to 1.4 million cubic metres a year, while between 3.7 million cubic metres a year and 5.9 million cubic metres a year of effluent would be used, depending on its quality.

# TAXES AND CHARGES - LAND TAX

## *Exemptions - Discretionary Trusts*

69. Mr COURT to the Minister representing the Minister for Budget Management:

- (1) Has the Commissioner of State Taxation recently given an interpretation in regard to residential land tax exemption for discretionary trusts?
- (2) If yes to (1), for how many years have these trusts been granted exemptions from land tax?
- (3) What is the reason for this change?
- (4) What is the anticipated additional revenue which will be raised through this changed interpretation?

Mr PARKER replied:

- (1) I am advised that the State Taxation Department, in the course of a major project to upgrade its record of taxable land, recently reviewed the taxable status of many trusts. As a result, assessments were issued against approximately 430 discretionary trusts which had previously been allowed residential exemption.
- (2) Assessments were issued for the current year only. Previous periods of exemption vary considerably and it would be impractical to extract the detail on each affected property.
- (3) Crown Law advice obtained by the department indicated that the Land Tax Assessment Act did not provide for residential exemption in respect of discretionary trusts.
- (4) It is anticipated that additional revenue of approximately \$430 000 will be raised in 1988-89 from these assessments.

# INFLATION RATES - TREASURY

## *Estimates*

70. Mr COURT to the Treasurer:

- (1) Has the Treasury forecast what inflation rates are expected for the next year?
- (2) If yes, what are these estimates and how do they compare with the Treasury's estimates at the time of the presentation of the last State Budget?

- (3) With Australia's gross foreign debt now at \$120 billion, what policies will the Federal Government be forcing onto State Governments to help reverse this disturbing trend in the growth of our foreign debt?

Mr PARKER replied:

- (1) Yes.
- (2) The CPI movement for 1989-90 relative to 1988-89 is estimated to be six per cent, although I am advised that projections for 1989-90 need to be treated with caution due to the uncertain impact of the proposed wage/tax cut trade off. At the time of the 1988-89 State Budget, the corresponding forecast for 1989-90 was five per cent.
- (3) This is a policy matter which would need to be addressed to the Commonwealth and which will become clearer following the April economic statement and the May Premiers' Conference.

### STATE FINANCE - TREASURY

#### *Investment Level - Statistics*

71. Mr COURT to the Treasurer:

- (1) Does the State Treasury prepare statistics on the level of investment in Western Australia and projections of private new capital expenditure in this State?
- (2) If yes to (1), are these statistics publicly available?

Mr PARKER replied:

(1)-(2)

No. This information is published by the Australian Bureau of Statistics.

### CONSERVATION AND LAND MANAGEMENT DEPARTMENT - LAND RENTALS

#### *Yacht Clubs - Reconsideration*

72. Mr COURT to the Minister for Conservation and Land Management:

- (1) Is the Department of Conservation and Land Management in the process of reconsidering the basis on which it charges rental for organisations such as yacht clubs which are built on lands under its control?
- (2) If yes to (1), what will be the new basis for calculating these rentals?

Mr TAYLOR replied:

- (1) Rental charges are in accordance with lease provisions.
- (2) Not applicable.

### ENERGY - GAS

#### *Kalgoorlie - Pipeline Construction. Cost Estimates*

74. Mr COURT to the Minister for Fuel and Energy:

- (1) Has the Government prepared any cost estimates for constructing a gas pipeline to Kalgoorlie?
- (2) If yes, what are these estimates?
- (3) Has a full feasibility study been carried out on such a proposal?

Mr CARR replied:

- (1) Yes.
- (2) About \$85 million for an 8" diameter pipeline.
- (3) Yes. The results indicate that the potential market for gas sales does not justify the construction of a gas pipeline.

**MINERALS - AGNEW NICKEL MINE**  
*Reopening - Government Assistance*

75. Mr COURT to the Minister for Resources Development:

- (1) What assistance is the Government providing for the reopening of the Agnew nickel mine?
- (2) What is the timetable for this assistance to be provided?

Mr PARKER replied:

- (1) None.
- (2) Not applicable.

**STATE ENERGY COMMISSION - HEADQUARTERS**  
*Central Business District - Sale*

76. Mr COURT to the Minister for Fuel and Energy:

- (1) Has the State Energy Commission of Western Australia sold its central business district corporate headquarters?
- (2) If yes to (1), what are the details of the sale?
- (3) If no to (1), is it intended for the properties to be sold and, if so, when?

Mr CARR replied:

- (1) No.
- (2) Not applicable.
- (3) The matter is the subject of a feasibility study.

**MAGISTRATES - MURCHISON REGION**  
*Deficiency - Mining Matters, Delay*

77. Mr COURT to the Minister representing the Attorney General:

- (1) Are there any mining matters unnecessarily delayed at the Meekatharra and other Murchison courts as a result of insufficient numbers of magistrates?
- (2) If yes to (1), what plans will be implemented to resolve this problem?

Mr D.L. SMITH replied:

- (1) There are some mining matters which are outstanding. However, they are not outstanding as a result of insufficient numbers of magistrates, but are pending a decision by the warden.
- (2) Not applicable.

**MAGISTRATES - MURCHISON REGION**  
*Appointment*

78. Mr COURT to the Minister representing the Attorney General:

- (1) Has the Government considered the appointment of a magistrate to serve the Murchison region from Meekatharra?
- (2) If yes, when will this appointment be made?

Mr D.L. SMITH replied:

- (1) The matter of relocating a magistrate to serve the Murchison region from Meekatharra was considered as recently as February 1989. Although the workload at Meekatharra has increased, there is no justification for the appointment of a magistrate. All country Magistrates' Courts are monitored by the Chief Magistrate and additional assistance is provided as the need arises.
- (2) Not applicable.

**MASTER MEDIA AGENCY - CONTRACT REPLACEMENT**  
*Western Australian Advertising Association - New Scheme Proposal*

79. Mr COURT to the Premier:

- (1) Will the Government be replacing the current Master Media Agency contract with a new scheme proposed by the Western Australian Advertising Association?
- (2) If yes to (1), when will this new scheme be implemented?

Mr PETER DOWDING replied:

- (1) No proposal has as yet been received from the Western Australian Advertising Association.
- (2) Not applicable.

**NATIONAL COMPANIES AND SECURITIES COMMISSION - MEMBERS OF PARLIAMENT**

*Criminal Prosecutions - Initiation Powers*

80. Mr COURT to the Minister representing the Attorney General:

Does the National Companies and Securities Commission have the power to commence criminal prosecutions against members of the Government if it believes they are warranted?

Mr D.L. SMITH replied:

The NCSC has no power to itself initiate criminal prosecutions against any person. Where necessary, the NCSC acts by way of recommendation to State or Territory prosecution authorities to commence proceedings.

**CONSUMER AFFAIRS - PRICES MONITORING UNIT**

*Cost*

81. Mr FRED TUBBY to the Minister for Consumer Affairs:

- (1) What has been the total cost of the Prices Monitoring Unit?
- (2) What has been the cost of the Prices Monitoring Unit for each year of its operation?
- (3)
  - (a) How many price surveys have been carried out by the Prices Monitoring Unit since its establishment;
  - (b) how often are these surveys conducted; and
  - (c) what is the average time interval between the actual survey and the publication of this information?
- (4)
  - (a) In the operation of the Prices Monitoring Unit, who has been actually doing the surveys;
  - (b) have any pensioner organisations ever been used for survey purposes during the operation of the unit; and
  - (c) if so which pensioner groups have been involved?
- (5)
  - (a) Has Caris Bailey ceased her association with the Prices Monitoring Unit;
  - (b) if so, when did she cease; and
  - (c) if so, why did she cease?
- (6) During Caris Bailey's term with the Prices Monitoring Unit what was her annual salary?
- (7)
  - (a) During Caris Bailey's term with the Prices Monitoring Unit was she paid any allowances over and above her personal salary; and
  - (b) if so, what was the total of the allowance paid to her during her time with the unit?

Mrs HENDERSON replied:

- (1) \$590 108.21
- (2)
 

Feb 1987 - June 1987	\$124 623.00
July 1987 - June 1988	\$285 700.49
June 1988 - Feb 1989	\$ 87 870.15
- (3)
  - (a) Thirty three;
  - (b) surveys of grocery stores were initially conducted once per fortnight, but were then reduced to once per month; and
  - (c) average time interval between actual survey and publication is seven to 12 days.
- (4)
  - (a) Surveys are completed by ministry staff and casual surveyors; and
  - (b) no;
  - (c) not applicable.
- (5)
  - (a) Yes;
  - (b) 4 November 1988; and
  - (c) personal reasons.
- (6) \$46 251 at appointment - Level 7.
- (7)(a)-(b)  
No.

#### OFFICIAL CORRUPTION ACT (NO 52 OF 1988) - PROCLAMATION

82. Mr MENSAROS to the Minister representing the Attorney General:

- (1) Has the Official Corruption Act - No 52 of 1988 - been proclaimed?
- (2) If not, considering the Government's support for this measure, will the Minister give the reasons for the delay?
- (3) When can it be expected that this Act will be proclaimed?

Mr D.L. SMITH replied:

- (1) No.
- (2)-(3) Proclamation of the Act is dependent on the appointment of commissioners. The selection committee, as established by the Act and headed by the Chief Justice, is currently undertaking that task.

#### ELECTIONS - STATE

##### *Pencils - Federal Officers' Instructions*

83. Mr MENSAROS to the Minister for Parliamentary and Electoral Reform:

- (1) Is the Minister aware of the fact that in the Commonwealth Electoral Office on Stirling Highway, Claremont, where people were able to vote prior to the polling day at the last State elections, the officers told a voter that unless he used the soft erasable pencil provided for, and insisted on using a ball point ink pen, his vote would be destroyed?
- (2) Were the Commonwealth officers under instruction by the State Electoral Commission to issue such directions to voters?
- (3) Would he investigate this incident?

Mr PEARCE replied:

- (1)-(2) I am not aware of the matter which is the subject of the member's question.
- (3) I have asked the Electoral Commissioner for Western Australia, Les Smith, to investigate the incident. The member will be advised in writing in due course.



**SEWERAGE - OCEAN DISPOSAL**  
*Northern Suburbs - Land Disposal Options*

84. Mr MENSAROS to the Minister for Water Resources:

- (1) In connection with the proposed ocean disposal of sewage from the north metropolitan suburbs, has there been a thorough investigation undertaken of the various options open to dispose of the effluent on land rather than to the ocean?
- (2) If so, will he describe the nature of this investigation?

Mr BRIDGE replied:

- (1) Assuming the question refers to the duplication of the Beenyup treated effluent ocean outlet, land disposal options were considered in the mid 1970s before the decision to use ocean disposal was adopted.
- (2) Consideration was given to land disposal - including irrigation - and industrial reuse. Land disposal raised concern for the valuable unconfined ground water in the area and the very large land areas required. Costs would be very high along with higher pollution risks.

Industrial reuse is not practical in the northern suburbs and, in any case, both "disposal" methods would still require the installation of an ocean outlet for seasonal and ultimate disposal. Opportunities for reuse or irrigation are constantly monitored but they are unlikely to be viable alternatives to ocean disposal in the northern suburbs.

The Environmental Protection Authority is finalising its report following public comment on the Water Authority's public environmental review on the duplication of the Beenyup ocean outlet and this report will be made public.

**COMMISSION ON ACCOUNTABILITY- REPORT**  
*Recommendations - Implementation*

85. Mr MENSAROS to the Premier:

- (1) Is the Premier still adhering to his publicly made statement that his Government accepts the report by the Commission on Accountability and is going to implement all its recommendations?
- (2) If so, will he inform the House in some detail as to the timing and means of implementing the recommendations in both legislative and administrative ways?

Mr PETER DOWDING replied:

- (1) Yes.
- (2) Some detail has already been provided and I expect to inform the House shortly of further decisions.

**QUESTIONS WITHOUT NOTICE**

**NATIONAL AUSTRALIA BANK - ROTHWELLS LTD**  
*Deputy Premier - Assurances*

5. Mr MacKINNON to the Deputy Premier:

- (1) Did the National Australia Bank seek assurances or comment about the position of Rothwells Ltd from the Deputy Premier in September or October 1988?
- (2) What advice or comment was sought?
- (3) What information or advice was proffered to the National Australia Bank by the Deputy Premier?

Mr PARKER replied:

(1)-(3)

The National Australia Bank did not seek from me or, so far as I am aware, anyone else within the Government, any assurances whatsoever at any time during September or October 1988 concerning the position of Rothwells. As I have said publicly on several occasions the Government, the National Australia Bank and, I think, most of the other people who were dealing with Rothwells financing matters at that time, did so on the basis that Rothwells, in dealing with them, was a solvent organisation. That certainly was the general view at the time. There were no meetings, as I indicated yesterday. There were some telephone conversations but not pertaining - certainly not with me, at any rate - to the \$150 million loan.

It is important for people to understand that there was no resistance or reluctance whatsoever on the part of the National Australia Bank to have that amount of money repaid to it. It certainly did not seek any assurances from me or, so far as I am aware, from anyone else within Government, before accepting receipt of that loan, \$75 million of which was due and payable at that time in any event, and the other \$75 million of which was not due and payable until one year later but which, under the terms of the loan agreement between Rothwells and the National Australia Bank, Rothwells had the right to repay to the bank.

#### PARLIAMENTARY SESSIONS - POST-ELECTION STATISTICS

6. Mr RIPPER to the Leader of the House:

In the light of the Leader of the Opposition's comments in his speech on the Address-in-Reply, can the Leader of the House inform the House of the details of parliamentary sessions following previous general elections?

Mr PEARCE replied:

This is a very apposite question from my brother-in-law, and I thank him very much for it. I was not entirely surprised to have this question put to me because the member for Belmont was thoughtful enough to have a chat with me about the amazing comments made by the Leader of the Opposition during the course of the day. I had the relevant statistics compiled to see whether it is the case that the Labor Government is acting against the practices and principles of Parliament in having a relatively short session at the present time to deal with essential legislation.

This is what I discovered. The Brand Government was elected on 20 February 1965 and did not call Parliament together until 29 July of that year - a gap of 23 weeks between the election and the opening of the Parliament. Premier Brand was a consistent fellow because when he was re-elected in 1968 he took 18 weeks, from 25 March to 25 July, to call Parliament together. In the days of the Tonkin Government, following the previous procedure, the election was held on 20 February 1971 and Parliament was not called together until 15 July - 22 weeks after the election. The Court Government, which proved almost record breaking, had 17 weeks, 22 weeks and then 22 weeks in the case of the Court-O'Connor Government, between the election and the time at which Parliament was called together.

The average time for the calling together of Parliament has been the second week in July after the election. The only times I know of that this has been varied is when there was a one and a half hour sitting of Parliament to elect a new Speaker, such as occurred in 1977, to which I previously referred. I well remember being a new member in 1977, anxious to be in Parliament, with an office downstairs, and I used to come up and sit in a seat and wonder when Government MPs would turn up to be involved in Parliament.

An Opposition member interjected.

Mr PEARCE: They were frightened to come in, and I am not at all surprised. Many

of them left subsequently. The only change we have seen with regard to that has been with the Burke-Dowding Governments, where it has been their practice to have at least a short session straight after the election. We have done that on each occasion there has been an election in 1983, 1986 and now in 1989.

It is the height of hypocrisy for the Leader of the Opposition to pretend that we are denying members their right to raise issues in Parliament when the fact of the matter is that decades of Liberal Governments set the precedent of not sitting until the Budget session after an election. We have been prepared to call Parliament together on every occasion.

#### NATIONAL AUSTRALIA BANK - ROTHWELLS LTD

##### *Government Guarantee - Cancellation Request*

7. Mr MacKINNON to the Deputy Premier:

- (1) Did the Government request the National Australia Bank to cancel the Government indemnity relating to the \$150 million extended to Rothwells prior to entering into the PICL payout arrangement in October 1988?
- (2) Did the bank agree to that request?

Mr PARKER replied:

(1)-(2)

The question of cancellation by some positive action on the part of the National Australia Bank is not an issue between the bank and the Government. There are some issues between us which, judging by the comments made by the bank, could well result in litigation.

Mr MacKinnon: That doesn't answer the question.

Mr PARKER: I am saying that is not an issue in the current dispute between the Government and the National Australia Bank. The issues which are extremely important between the Government and the bank, according to the bank, will end up in litigation, and I do not propose to provide the answers to that until such time as the outcome of that is clear.

#### GOVERNOR GENERAL - HAYDEN, MR BILL

##### *Official Visit - Western Australia*

8. Dr GALLOP to the Premier:

Can the Premier confirm the presence in Western Australia of the Governor General, Bill Hayden?

Mr PETER DOWDING replied:

I can. It was a pleasure to join the Governor, Professor Gordon Reid, at the airport today to greet His Excellency the Governor General on his first official visit to Western Australia. On behalf of all Western Australians I welcome him to the State, and I did so this afternoon. He served the community of Australia very well as a Minister in both the Whitlam and Hawke Governments. Along with most Australians I have a very high regard for His Excellency and appreciate the longstanding service that he has given, and continues to give, to Australia.

He is a man with a very strong sense of fair play, an extraordinary, unpublicised sense of humour, and the common touch. I am sure that I express the view of most people in Western Australia, if not all, in wishing him very well in his term of office as Governor General.

#### SWAN BREWERY SITE - CAMP

##### *Health Laws - Enforcement*

9. Mr LEWIS to the Premier:

- (1) Will the Premier explain why health laws and other laws which regulate camping in public places have not been enforced in relation to the camp on the old Swan Brewery site?

- (2) What action will the Government take to remove this illegal camp?

The SPEAKER: Order! I mentioned yesterday the method in which questions without notice should be asked. It is improper to address a question to a Minister with a presumption of fact. The member needs to reconsider the way in which he has addressed the question and I will give him the call after the next question has been asked.

#### PUBLIC SERVICE COMMISSIONER - RETIREMENT

10. Dr WATSON to the Premier:

Will the Premier confirm that the Public Service Commissioner is about to retire?

Mr PETER DOWDING replied:

I can confirm that Western Australia's most senior public servant is to retire at the end of next month. Mr Frank Campbell, the Public Service Commissioner, has advised me that he wishes to exercise his option to retire at age 55.

His decision brings to an end a particularly distinguished career. He joined the Forests Department in 1956. Between then and 1984, he played a leading role in forest management, including the research and introduction of prescribed burning and the implementation of controls designed to combat jarrah dieback. There is no doubt that our magnificent forests would not be what they are today but for the work of Frank Campbell.

In the past five years, Mr Campbell has served as a commissioner on the Public Service Board and as chairman of that board, and from last year he was the sole commissioner on the new commission. In that time he has supervised some of the most significant changes ever made to the structure of the State's Public Service.

Mr Campbell reached the senior ranks of the Public Service when the service was facing some of its most difficult times. He has met those challenges head on and has defended the integrity and professionalism of public sector employees. I believe he has made a very substantial contribution in that role.

Since 1984, Mr Campbell has been involved in a number of major management initiatives including the introduction of formal corporate planning processes, the revision of multiple, complex salary scales and their replacement with the broadband system, the implementation of a sector wide personnel information management system networked database, macro full time equivalent employment controls, and the senior executive service.

The Government and the community is well served by its Public Service and Mr Campbell has contributed greatly to enhancing the image and morale of the service.

I wish to place on record the Government's appreciation of Mr Campbell's service and wish him well for the future.

#### SWAN BREWERY SITE - CAMP

##### *Health Laws - Enforcement*

11. Mr LEWIS to the Premier:

Mr Speaker, I thank you for your indulgence. I will rephrase my question as follows -

- (1) Is it a fact that health laws and other laws that regulate camping in public places have not been enforced in relation to the camp on the Old Swan Brewery site?
- (2) What action will the Government take to remove that camp?

Mr PETER DOWDING replied:

(1)-(2)

I am not aware of any breach of those regulations. However, there may well have been such a breach.

Mr Hassell: Can we camp there, Premier?

Mr PETER DOWDING: The major factor which separates people like the member for Cottesloe and the Liberal Party from people like me and the Labor Party is that we have never supported the artificial mechanisms which they used to prevent people from expressing a political view. The former coalition Government imposed on the people of Western Australia a requirement that not more than three people could gather and discuss a matter of public importance without police intervention.

It may well be that breaches of some camping regulation or other requirements have been incurred. It may also be that these breaches may be something which a Liberal Government would have responded to instantly. I believe that many people are disappointed not only with the standard of behaviour of the people who are there, but also with the desecration that they have caused to Aboriginal sites and to Kings Park facilities.

The matter is being reviewed and the Government will take steps shortly. In the meantime, anyone who wants to pretend that a small group of people who are, by and large, amongst the most disadvantaged in our community are causing a major public problem is wrong. That is not to say, however, that the matter should not be addressed. Those people have made their point and we are approaching the time when, in a democratic community, we are able to say that they have made their point and that we now want them to go.

Mr Court: When?

Mr PETER DOWDING: What does it matter if it is in three or four days or in a week? Is the member affronted when he drives past them in his Bentley coming from Nedlands? What is the problem? The people of Western Australia have rejected the Opposition again because they do not trust it with Government. The people trust us and have given us the responsibility to govern.

The Government will review the situation and will come to a decision shortly.

#### GOLDEN OLDIES RUGBY UNION FESTIVAL - TOURISM

##### *Benefits*

12. Mr CUNNINGHAM to the Minister for Tourism:

Will the Minister inform us of the benefits to Western Australian tourism resulting from today's announcement that the international Golden Oldies Rugby Union Festival is to be staged in Perth in 1991?

Mr GRILL replied:

My colleague, the Minister for Sport and Recreation, Graham Edwards, made the formal announcement earlier today that more than 7 000 people will come to Perth to participate in the 1991 Golden Oldies Rugby Union Festival.

The festival is arguably the biggest single veterans' sporting event in the world. The fact that it is to be staged in Perth is a tribute to the initiative of the WA Old Golds Rugby Union Club which made the successful bid against numerous other countries with the help of the State Government.

In terms of tourism, this will translate into millions of dollars being injected into Western Australia's economy and will provide a worldwide boost to Perth's image as a top drawer tourist destination.

Golden oldies rugby teams and their supporters will be coming to Perth from many countries including the United States of America, Canada, the United Kingdom, Japan, New Zealand and Italy. When those 7 000 or so people

arrive here, each of them will have purchased a special package covering their accommodation in hotels throughout Perth, their transport and a range of social functions.

The Golden Oldies Rugby Union Festival is held every two years and has been staged in major cities throughout the world since 1979. The event in Perth will see rugby union matches being played on 33 pitches throughout the metropolitan area from 26 May to 2 June. To qualify as a golden oldie, competitors have to be over 35 years of age, but most are in their 50s.

Perth, with its reputation for friendliness, should provide the ideal locale for the festival which emphasises fun, friendship and fraternity rather than winning.

The Government is proud to have played a key role in assisting the Western Australia Old Golds Rugby Union Club in winning this event for Perth, as it has in other events on other occasions.

#### WATER RESOURCES - WELLINGTON DAM

##### *Kings Cup Regatta - Water Quality Assurance*

13. Mr WIESE to the Minister for Water Resources:

- (1) In view of the fact that the Kings Cup Regatta, currently taking place on Wellington Dam, will be an enormous success and will attract a large number of competitors and spectators to the south west and to Wellington Dam, can the Minister inform those people who rely on the Wellington Dam for their drinking and domestic water requirements what steps have been taken to ensure that no pollution of those water supplies will take place?
- (2) Can he assure all those people serviced by the Great Southern Comprehensive Water Supply Scheme that the quality of water supplied to them will be completely unaffected by the recreational use of Wellington Dam over the next two or three years prior to the Harris River Dam coming on stream?

The SPEAKER: Order! In view of the innocuous nature of the question I will allow it. It is quite clear that a number of members have not read Standing Orders in respect of the framing of questions. It is not appropriate in questions to make statements of fact or to claim statements as being fact. At least two members who have asked questions tonight have done that. I advise members that there is a method by which they can address a similar question and I suggest that they talk to other members about it.

Mr BRIDGE replied:

(1)-(2)

I can reasonably assure the member and the residents of Collie and surrounding districts that safeguards designed to protect against the possibility of pollution of the Wellington Dam are in place. I can make that assurance because of the number of safety measures that have been deliberately put in place by the Government.

The Government agreed to the staging of the regatta - a one off event - and it will closely monitor and check the likely effects on the water supply. To a large degree attempts have been made to conduct other water sport events on the dam but I have not been prepared to allow those activities to ensure there was no undue pollution of the dam.

The Government has put in place support structures to deal with the regatta and it has provided ablution blocks and other amenities designed to safeguard the water supply in case of pollution as a result of the activities on the dam.

Ongoing monitoring and testing of the waters within the dam are being carried out to assess whether there is evidence of pollution. With those features in place - features which have been deliberately put in place to protect the quality of water - the Government is reasonably sure that pollution will not occur. Unfortunately, we cannot say that pollution will not occur but if it does

it will be detected quickly because of the testing process that is in place and the continual monitoring of the dam. I feel confident that those measures will safeguard the people in those areas.

Another interesting point is that in a couple of years the Harris River Dam will come on stream and, of course, it will free up the Wellington Dam and make it available for ongoing recreational purposes.

#### EMPLOYMENT AND TRAINING - JOB CREATION

##### *Target - Government Achievement*

14. Mr MARLBOROUGH to the Minister for Employment and Training:

Can the Minister advise when the Government achieved the 96 000 jobs it promised in February 1986?

Mr TROY replied:

I advise the member that the State Government has an enviable record in job creation. I am pleased to report that the target of 96 000 jobs was achieved in February this year when 97 600 jobs were evaluated at that time. Members will recall that when this Government made this promise the Opposition ridiculed the Government and said the figure was unrealistic. However, the figure has been achieved and once again the Opposition has to wear its ill-thought criticism of this Government.

It was not easy to achieve that target because in 1986-87 economic fortunes were stalled as a result of the stock market crash. At that time I recall the newspaper commenting on the difficulty of achieving 96 000 new jobs within that period. Another feature of this Government's achievement is that over half the jobs - 52 000 - were achieved in the first year of the Dowding Government and that is something of which this Government is proud.

An interesting comparison can be drawn with New South Wales. In the last 12 months 52 000 jobs were created in Western Australia - more than the number of jobs created by the new Liberal Government in New South Wales. What is even more interesting is that the labour force in New South Wales is three and a half times greater than that of Western Australia.

Another feature of the recent statistics is that Western Australia now has the equal lowest unemployment rate in Australia of 5.8 per cent, an honour it shares with Victoria. These unemployment figure are the lowest since July 1981 when a resource boom was under way. We also enjoy the lowest rate of teenage unemployment of all the States; that is, 15.9 per cent, which is a significant reduction when one considers that it was in the order of 36 per cent when this Government took office. The Western Australian economy continues to outperform all the other States and one of the reasons for that is the Dowding Government delivers what it promises.

#### LIVESTOCK - SHEEP EXPORTS

##### *Loading Costs Concern - Newspaper Article*

15. Mr McNEE to the Minister for Agriculture:

- (1) Has the Minister read the article in this morning's *The West Australian* by Liz Tickner headed, "Sheep exports worry"?
- (2) In view of the concern about the loading costs of 29¢ a head at Fremantle, will the Government reduce the figure to around 12¢ a head which is charged at Portland?

Mr BRIDGE replied:

(1)-(2)

In response to the member for Moore I have not read today's paper. I will read the article and when we resume next Tuesday I may be able to answer his question.