

Legislative Assembly

Wednesday, 9 July 1986

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

PARLIAMENTARY PRIVILEGE

Effect on Public: Statement by the Speaker

THE SPEAKER: Members will have noticed by now that there are certain changes I am trying to bring about in the behaviour and decorum of this Assembly. I trust that these will be recognised as being in the interest of this institution, and I sincerely believe I have the support of most members, if not all, in what I am trying to do. For instance, my attitude towards accusations that members are lying is a case in point. Members have been particularly good in cooperating on that point.

However, I am quite concerned that there is a serious matter not yet addressed by me in relation to members' behaviour in this House. I refer to the damage which can be done to the reputation of persons outside this place by members who possibly may not be completely correct in what they say or, even if they are correct, may not be stating the whole case.

I am well aware, as are all members, that their right to speak in this place is the first freedom which needs protection and is the most important of our privileges. However, I am dismayed that the livelihood and reputation of members of the public can, almost casually, be seriously damaged or ruined. This can be done, for instance, by implication during debate or parliamentary question or in an unwitting reaction to a remark made in the heat of the moment. These members of the public are not in a position to defend themselves in the same free and public way that is available to us as members of Parliament.

I feel it is my duty, therefore, to charge members to be a lot more careful about this. If an attack is to be made upon any person, it should be done only after the most careful investigation by a member and only when and if the member is convinced there is no more appropriate way of having the matter properly ventilated and examined.

Parliamentary practice, built up over some hundreds of years, provides that the reputations of certain persons of high-standing in our community may be reflected upon only by substantive motion. This applies, for example,

to the Sovereign and members of the Royal Family; the Governor; the Speaker; members of either House of Parliament; judges; and many others.

It seems to me that, while there may be a real need to maintain the freedom of members of Parliament to speak out against criminals, corruption, negligence, or high-handedness on the part of holders of public office, there is nevertheless a solemn responsibility on all of us to use this precious freedom only with the greatest of care. Treating parliamentary privilege as a licence for casual, unfounded, and unjustified insult can only bring damage to the very institution which provides the protection in the first place.

I appeal to members, therefore, to show much greater control over their behaviour in this matter in the future and, should my appeal be completely disregarded, I must warn members that I will, if necessary, look to see what greater sanctions the House might be asked to bring down against this type of behaviour in the future.

EDUCATION: STUDENTS

Censorship: Petition

MR HOUSE (Katanning-Roe) [2.22 p.m.]: I have a petition from 6 335 petitioners couched in the following terms—

To:

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

We, the undersigned, request that the Legislative Assembly in Parliament assembled should examine the English and Health Education programs used in Western Australian schools with a view to:

1. Prohibiting the use of any part of films or videos classified "R" or "AO" in any Western Australian school.
2. Prohibiting in Western Australian schools the use of books, films or videos which promote illegal activities such as violence, incest, homosexuality, euthanasia, drugs, suicide, abortion, blasphemy and obscenity.
3. Restricting the use in Western Australian schools of material which usurps parental responsibility in the area of sex education, i.e. contraception and pre-marital sex.

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

I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

(See petition No. 13.)

TRANSPORT: RAILWAYS

Northern Suburbs: Petition

MRS BEGGS (Whitford—Minister for Tourism) [2.24 p.m.]: I have a petition bearing 566 signatures from residents of Western Australia which reads as follows—

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

The undersigned residents of Western Australia call upon the State Government to provide a Passenger Rail Service to the Northern Suburbs as originally contained in the Stephenson Plan for the following reasons:

1. To alleviate the volume of traffic on the existing highways and freeways;
2. To give the travelling public an alternative and safe mode of transport;
3. To boost the tourist access to outlying attractions; and
4. To assist in decentralisation.

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

I certify that it conforms to the Standing Orders of the Legislative Assembly.

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

(See petition No. 12.)

STANDING ORDERS COMMITTEE

Report

On motion by Mr Burkett (Scarborough) resolved—

That the report of the Standing Orders Committee be received.

On motion by Mr Burkett (Scarborough) resolved—

That the report be printed, and that consideration of the report be made an Order of the Day for the next sitting of the House.

BILLS (4): INTRODUCTION AND FIRST READING

1. Salaries and Allowances Amendment Bill.
Bill introduced, on motion by Mr Bryce (Deputy Premier), and read a first time.
2. Workers' Compensation and Assistance Amendment Bill.
3. Construction Safety Amendment Bill.
Bills introduced, on motions by Mr Peter Dowding (Minister for Industrial Relations), and read a first time.
4. Goldfields Tattersalls Club (Inc.) Bill.
Bill introduced, on motion by Mr Taylor (Minister for Lands), and read a first time.

SUPPLY BILL

Second Reading

MR BRYCE (Ascot—Deputy Premier) [2.30 p.m.]: I move—

That the Bill be now read a second time.

This measure seeks the grant of Supply to Her Majesty of \$1 900 million for the works and services for the year ending 30 June 1987 pending the passage of Appropriation Bills during the Budget session of the next financial year.

The Bill seeks an issue of \$1 700 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 on the estimated costs of maintaining services and works at existing levels, and no provision has been made for any new programmes which must await the introduction of the 1986-87 Budget.

Members would now be well aware that unlike the position that has previously applied, the Bill this year does not make provision to enable the Treasurer to make temporary advances from the public bank account. Provision for these advances is covered under the Treasurer's Advance Authorization Bill which was introduced earlier this session. That legislation supplements the Financial Administration and Audit Act which creates a Treasurer's advance account with the Treasurer operating on this account for the purposes and within the monetary limit specified in the Treasurer's Advance Authorization Act for the 1986-87 financial year. The Financial Administration and Audit Act also creates a General Loan and Capital Works Fund.

As members would be aware parliamentary appropriations for capital works have traditionally been confined to the proceeds of loans raised by the Commonwealth on behalf of the State under the financial agreement with the authority of a Loan Act, the general purpose interest-free capital grant as approved by the Australian Loan Council, and loan repayments. However, with the establishment of the General Loan and Capital Works Fund, it is proposed to widen those appropriations to include finance from other various sources, such as grants and advances provided by the Commonwealth and other contributions of a capital nature. This consolidation substantially increases the amount available for parliamentary appropriation, thereby providing Parliament with greater control over the use of capital funds. As with the Consolidated Revenue Fund, no payments can be made from moneys standing to the credit of the General Loan and Capital Works Fund except in accordance with the authority of the Governor.

To implement the changed funding arrangements, supply of \$200 million is required for estimated expenditure chargeable to the new account pending the passage of the Appropriation Bill.

I now move to the formal provisions of the Bill which I have already described, and commend the Bill to members.

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

FUTURES INDUSTRY (APPLICATION OF LAWS) BILL

Second Reading

MR PETER DOWDING (Maylands—Minister for Employment and Training) [2.32 p.m.]: I move—

That the Bill be now read a second time.

The Bill proposes to apply in Western Australia a further piece of Commonwealth legislation pursuant to the State's obligations under the cooperative companies and securities legislative scheme. The formal agreement extended by the Commonwealth and all the States on 22 December 1978 provides the framework for a cooperative Commonwealth-State scheme for a uniform system of law and administration regulating companies and the securities industry. The scheme covers the relevant law operating in the six States and the Australian Capital Territory.

The Northern Territory Government has not joined the cooperative scheme and by 1 July 1986 will have introduced legislation to apply Commonwealth companies and securities legislation in the Territory. The parties to the formal agreement have agreed that the cooperative scheme should be extended to cover the regulation of the futures industry and franchising.

The necessary amendments to the formal agreement have been approved by each participating Government, and the amending agreement is presently in the process of being signed by each of the parties. In accordance with the amending agreement, the proposed futures legislation was agreed to unanimously by the Ministerial Council for Companies and Securities prior to its introduction into Federal Parliament.

Parties to the formal agreement, other than the Australian Capital Territory, have now enacted or will be introducing legislation in a form substantially the same as that now before the House.

The Futures Industry (Application of Laws) Bill will apply the substantive provisions of the Commonwealth Futures Industry Act 1986 as laws of Western Australia. The Bill operates in essentially the same manner as the Companies (Application of Laws) Act and other similar legislation comprising the cooperative scheme.

The applied provisions will be known as the Futures Industry (Western Australia) Code. The substantive provisions of the Commonwealth Act provide the content of the Futures

Industry (Western Australia) Code, subject to minor technical modifications which reflect local law and practice.

Futures trading involves entering into standardised agreements to deliver or take delivery of a commodity at an agreed price at some time in the future. Futures trading in Australia has developed from a specialised market of interest mainly to wool producers into a market in which producers, consumers, and participants in the financial system seek to redistribute economic risks or secure a profit by hedging against commodity price fluctuations or speculating on future price movements.

In the last decade, the major growth area in the futures industry has been in financial futures markets. Financial futures enable business risks, such as changing rates, interest rates, and share prices, to be protected. The need to have a uniform regulatory system governing the futures industry in Australia was recognised by the Campbell committee and has been endorsed by the Sydney Futures Exchange.

The Campbell committee recommended a national approach to the regulation of futures exchanges with the same co-regulatory approach that is adopted in relation to stock exchanges applying to futures exchanges. At present the only legislation in Australia that specifically deals with the futures industry is the New South Wales Futures Markets Act. Experience with the administration of this Act has clearly indicated the need for Australia-wide legislation in this area.

The law applied by the Bill and to be known as the Futures Industry (Western Australia) Code will establish a framework applying controls to participants in the futures industry. Briefly, it will—

- (a) require futures brokers and advisers to be licensed;
- (b) establish a system for the approval of futures exchanges and clearing houses;
- (c) require futures exchanges and futures associations to establish a fidelity fund for the protection of clients;
- (d) provide criminal sanctions for manipulative and fraudulent practices; and
- (e) require futures brokers to maintain adequate records and separate client funds from their own funds.

Much of the public debate about the Bill has concerned the definition of "futures contract" and hence the reach of the legislation. The definition aims at ensuring that it is sufficiently wide to include all contracts generally considered to be futures contracts, whether traded on or off market, so as to overcome any avoidance techniques which may deny clients the protection of the legislation. At the same time, the definition provides for the exclusion of legitimate commercial arrangements that clearly should not be subject to the legislation.

In addition to applying the substantive provisions of the Commonwealth Futures Industry Act 1986 as laws of the State, the Bill also operates to apply, as regulations under the code, regulations made under the Commonwealth Act and fees regulations made under the Commonwealth Futures Industry (Fees) Act 1986. Those regulations will be applied in the same manner as the provisions of the Commonwealth Futures Industry Act 1986 are applied. Amendments to the Commonwealth Futures Industry Act 1986 are applied automatically in the same way as amendments to the Commonwealth Companies Act 1980 and other scheme legislation are applied. An explanatory memorandum has been prepared and that is distributed with the Bill.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Court.

GENERAL INSURANCE BROKERS AND AGENTS ACT REPEAL BILL

Second Reading

Debate resumed from 12 June.

MR SPRIGGS (Darling Range) [2.38 p.m.]: The Opposition supports this Bill. This legislation was actually brought into the House by the Leader of the Opposition some years ago when he was a young Minister. It was brought in at a time when a number of brokers were in serious trouble and one or two were going broke. I remember the difficulty that the young Minister at that time had in getting the legislation through the party room because of the complications involved in the definition of a broker. Because of the Commonwealth legislation, it is quite obvious that the Act no longer has application in the State laws.

The Opposition agrees with the legislation and supports it.

MR WILSON (Nollamara—Minister for Consumer Affairs) [2.40 p.m.]: I thank the Opposition for its support of this Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

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

TOWN PLANNING AND DEVELOPMENT AMENDMENT BILL

In Committee

The Deputy Chairman of Committees (Mrs Henderson) in the Chair; Mr Pearce (Minister for Planning) in charge of the Bill.

Clauses 1 to 3 put and passed.

Clause 4: Section 8A amended—

Mr CLARKO: The amendments in clause 4 propose to remove the landowner's right of appeal to what I take it is either the Minister or the Town Planning Appeal Tribunal. I presume there is a choice.

Mr Pearce: There will be no choice if this section is amended.

Mr CLARKO: At the present moment there is a choice provided in section 8A of the Town Planning and Development Act 1928. If this clause passes, that right will be lost to the owner of land that is reserved for public purposes where compensation applies. This amendment would remove the right of appeal and deny the owner a second chance. That is equivalent to saying the tribunal cannot be fully trusted; it should not have the power to make such a decision.

This surprises me. If the Parliament rejects this amendment in clause 4, it is not that owners will be allowed to carry out this type of development, it is merely that they will have the right to appeal to the tribunal, which can either uphold or refuse it. It is not desirable to take that right away. It is inconsistent with the two measures the Minister placed before us last week and this week.

The State Planning Commission is saying here that we should deny the possibility that the developer might succeed. That is not desirable. It is not the desire of those in the development industry.

Might I express my appreciation for access to one of the Minister's officers. It was helpful to me, and I think it was helpful to the Minister. Last week he made some comments along that line. It was useful not only in regard to this point but in regard to other clauses also. It will be seen as a two-way process.

I sought some examples from the commission. I wanted an opportunity to judge whether the Opposition should lend its support to this if there were sufficient cases. An example given to me was of an owner who sought to build a boatshed with an access stairway on the river escarpment. The MRPA refused the application, which went to the Town Planning Appeal Tribunal, which decided it was appropriate for this matter to proceed. The owner decided not to seek subsequent compensation for the additional development. That highlighted the case for not removing this right of appeal.

We can expect further changes to our planning process in the next 12 months or so as a result of the O'Meara report and actions taken by the Minister and the Planning Commission. We will have an opportunity in the future to reconsider this. If further problems arise it would be proper to consider them at that time. It is always a serious step to take away a planning provision, and I ask the Minister not to continue with this clause so that we have an opportunity of retaining that provision.

Mr PEARCE: The member for Karrinyup is quite right in saying that the discussions we have had behind the Chair have been helpful in resolving a number of attitudes in regard to this Bill, and I found the process very useful. It might be used more frequently in the Parliament to advantage.

Any interference with existing appeal rights is very serious. The proposed section would remove appeals by people who have land in their own right but which is subject to a planning appeal reservation of one kind or another.

The foreshore reservation around the river is a classic case where the land subdivision was completed some time ago. More modern attitudes meant that a foreshore reservation would provide access to the river. The ownership of the land had not changed. That is to say, the public policy had not shifted the ownership from an individual to the public authority. Under those circumstances, it seems to me that moves not to allow any development at all can be an undue restriction on the rights of the individual landowners.

Equally, one can look at the State's position. If the State allows people to build skyscrapers willy-nilly on reserve land with the intention that that reserve land will at some time be acquired by the State and the owner compensated, the State would be obliged to take over and pay compensation for those developments.

On balance, I accept the argument of the member for Karrinyup that past practice has not been a great problem with the decision he has noted. There was an agreement that extra compensation would not be sought. These reservations can exist for some time, before they are required for public purposes.

Mr CLARKO: I move an amendment—

Page 2, lines 17 to 25—To delete the proposed Subsection (2a).

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 5 to 8 put and passed.

Clause 9: Section 24 amended—

Mr CLARKO: This amendment allows a 90-day period in contrast to the recommendations of the O'Meara committee, which proposed a 72-day period for determination in regard to subdivisions. Firstly, O'Meara recommended this amendment and, secondly, to be logical with this new approach of speeding-up the statutory planning process it would be desirable to use a 72-day period. However I am taking the advice of the Minister and his officers that it would be difficult for the Planning Commission to meet that schedule. I do not now intend to move that the numeral 90 be changed to 72.

I ask the Minister to comment. The Opposition and everyone in the planning world would like to see the time period changed. Could the Minister have the matter looked at to ascertain whether the process can be speeded-up so that if one has 90 days, a shorter term could be achieved in practice. The Minister might be prepared at a later date to alter that period if experience indicates he is able to do that.

Mr PEARCE: This section does in fact speed-up the process because the commission can determine an application for subdivisions as soon as the necessary consultations are completed instead of waiting for 42 days, which is the arrangement that exists under the present legislation. The 90-day period refers to what is known as the "deemed refusal period"—that is to say, if the commission has

not determined an application after 90 days, it is deemed to be refused. An applicant can then take an appeal to either the Town Planning Appeals Tribunal or the Minister, as he or she sees fit. The reason the commission looked at the 90-day period rather than the 72-day period, recommended in the O'Meara report, was that there are occasionally instances where one would like to get a wide range of significant consultation out of the way and make a determination, rather than have the matter determined by the tribunal on a deemed refusal basis.

A classic example would be the Pier 1 development in Rockingham where a developer sought to build a high-rise building on the Rockingham coastline. My attitude to coastal high-rise buildings is well-known. Instead of trying to assess each application separately I was trying to get a high-rise development policy to apply along all the metropolitan coastline. The discussions that took place on that matter were lengthy and varied. I twice deferred the Rockingham application in order to get agreement on a general policy, rather than make a decision on the individual application. Eventually, the time ran out and the person then took an appeal to the tribunal, and it is still currently being heard.

In those types of cases a 72-day period might prove too short. It can have the effect of lengthening the business because if someone receives a deemed refusal up to 72 days and then takes an appeal to the tribunal, it can take anything up to a year to be determined. We are trying to find ways of dramatically speeding-up the hearing of appeals. If that extra 18 days allowed a matter to be resolved in the affirmative, it might cost someone 18 days at one end, but save him a year and the cost of an appeal.

We should exercise caution with regard to this section. If experience shows that a 90-day period means that all applications take 90 days to deal with—because the commission sees that as the end of a matter and allows it to proceed until the last possible moment—when we look at the planning legislation later this year or early next year, there could be some tightening-up.

Mr LEWIS: I agree that these provisions certainly go a long way to speeding-up the process. As I foreshadowed previously, the Minister, in the future, could consider a substantial application or a minor application. In other words, there are two types of applications. We all realise that broadacre subdivision, where there are 200 or 300 allotments, is quite a difficult

task. Approvals have to be obtained within the required period. Unless the developer or applicant agrees after 90 days the application is deemed refused. I think that may put undue pressure on the planning process, especially with the larger-scale subdivisions. I think it would be appropriate for the approval process to deem a small scale or minor subdivision. On that basis, a lesser period could be written into the Act for approval to be given.

Mr PEARCE: It is a sensible suggestion and I am happy to look at it in terms of the total planning review. I think it might be precipitate to put it into the current legislation. I will make sure those comments are taken into account in a review of the whole legislation.

Clause put and passed.

Clause 10 put and passed.

Clause 11: Section 28A amended—

Mr CLARKO: I indicated earlier that I was contemplating moving an amendment to this clause. The speech notes of the Minister state that this amendment is a minor alteration to the provisions relating to subdivision roads to overcome a legal technicality where a later subdivider could avoid reimbursing an earlier subdivider for half the cost of a section of the road provided by the earlier subdivider, if it is opposite a road junction.

I was approached by people in the development world who indicated that while they could understand the situation which had led to this new amendment, they believed the proposed rewording was still open to interpretation. They posed this question: What will happen where the later subdivider's development includes a cul-de-sac abutting the original subdivider's existing road?

The new wording is as open to abuse as is the old, and so they suggested this wording for a new section 28 (a) (1) which I quote as follows—

a person (in this section called the "later subdivider") subdivides land and a lot or lots of the subdivision or any subdivisional road therein have a common boundary with an existing road: and ...

That was the amendment which I considered moving. The Minister's officer had the matter referred to Parliamentary Counsel who came to the conclusion that both amendments were aimed in the right direction, but he felt the amendment I just quoted was not superior to

the existing amendment. Frankly, I am not too sure because it is a fairly complicated matter.

However, the essence of this is that it is agreed that both parties are seeking to move in the same direction. I think the Minister would be happy to assure me that, if there was a gap between the first and second subdividers as to what money might subsequently be reclaimed, he would be more than happy to have that changed. If one refers to the notes the Minister's officer gave me some time ago one sees that they relate to a case where His Worship, Mr McGuigan SM, dealt with a matter in respect of Warlingham Drive where the second subdivider was able to avoid payment for this particular type of work. I guess this case, and perhaps others, motivated the Minister's adviser to move for this amendment.

Providing the matter is dealt with justly and fairly and there is a proper apportionment between the various parties, the Opposition will not object to this amendment. If there is any problem, I am sure the Minister will be only too happy to deal with it at a later stage.

Mr PEARCE: That is certainly the case. My advice is that the problem to which the member has referred is in fact covered by the wording in the legislation. I am no wiser than the member when it comes to distinguishing why the additional set of words does not make any great difference to the legislation, but I think our best course of action is to take the advice of Parliamentary Counsel in this regard.

I give the member my assurance that, in the light of experience this advice turns out to be ill-founded, the more thorough review which will be done in a few months will be the mechanism whereby we can correct the error.

Clause put and passed.

Clause 12: First Schedule amended—

Mr CLARKO: This amendment deals with tree preservation. I expressed my concern in the second reading debate about the possibility of people using this as a device to obstruct development, and so on.

However, it has been put to me that, by being more specific in this case, it will be possible to identify and preserve sections of an area rather than the whole. Were I to continue to press the existing legislative position, I could lead to a situation the reverse of what I want; that is, that a whole area of trees, for example, would have a tree preservation embargo placed upon it, when only certain groves, copses, subsections, or types of trees are needed to be preserved.

I certainly would not want to do anything which would have the opposite effect of what I am trying to do. I respect the right for certain tree types to be preserved, but I am concerned that it will have the effect of allowing certain groups or individuals to take a course of action which will improperly or unnecessarily impede development.

I do not want that to happen, but I do not want to see trees which should be preserved being chopped down. Therefore, I take the advice that has been given to me by the Minister's officers and I look with interest to the future to see what will actually happen under this new legislation.

Mr PEARCE: I think the member is accurate. The intention here is in fact to have controls which relate to trees specifically rather than in an ad hoc fashion. Although there are always dangers in having any statement of this kind, in that certain people will seek to use it as a delaying mechanism against developments to which they are opposed, it is likely to be more effective in speeding up the resolution of such conflicts than the reverse.

I am happy to give the member my assurance that, in the event that this amendment does not work out in the way we expect, we can pick it up in later legislation.

Clause put and passed.

Clause 13 put and passed.

Title put and passed.

Bill reported with an amendment.

WHEAT MARKETING AMENDMENT BILL

Second Reading

Debate resumed from 17 June.

MR CRANE (Moore) [3.08 p.m.]: This is a relatively small piece of legislation pertaining to a very important industry.

Under the Western Australian Wheat Marketing Act 1984, the Western Australian Wheat Board was established, the prime purpose of which was to nominate grower representatives to the Australian Wheat Board. As members know, only recently the Federal legislation was amended thus precluding the Western Australian Wheat Board from making these nominations.

Therefore, this legislation is now redundant. The Opposition does not wish to oppose the Bill. The two grower organisations, the Primary Industry Association of WA (Inc.) and the Pastoralists and Graziers Association of WA (Inc.),

are both in agreement with it. Incidentally, the chief executive of CBH was the Chairman of the Western Australian Wheat Board and he does not see the necessity for the board to continue in operation. Therefore, there is no objection to the legislation.

In passing I mention that while members on this side do not oppose the legislation, many people are concerned about the wheat industry. One school of thought in some areas is that the legislation should have been kept in place to provide a forum for close discussion with the industry. However, I do not subscribe to that and I believe the wheat industry is adequately covered now. Probably only two people in this place would have been growing wheat in the days before the Australian Wheat Board was established and the wheat stabilisation scheme which stabilised the industry came into effect.

We should all be very mindful of the importance of this legislation to the wheat industry. While there are those who from time to time suggest that we would have been better off without it, I am sure some members would remember—and I refer to the member for Greenough in particular—what life was like before the Australian Wheat Board was established.

It used to intrigue me when growers were offered prices down to one-eighth of a penny. We had pennies and halfpennies and in England we used to have increments of farthings, although I rarely saw them in Australia. We would be offered one-eighth of a penny. It always amused me to think how we could break a sum of money down to a coin which did not exist, but it was only a percentage. I remember the days when Louis Dreyfus, Bunge, and Hemphill were agents; they used to make those offers. There was great insecurity built into the industry at that time. Growers in the wheat industry were very appreciative of the wheat stabilisation scheme's introduction. While others have mentioned that they would like to see the scheme disbanded, as a wheat grower for many years I do not want to see that happen. This legislation, of course, really has nothing to do with the episode about which I speak; it is only vaguely related to it.

Because it is no longer necessary to have the Western Australian Wheat Board the Opposition has no objection to the repeal of section 5 of the Act. I mentioned this section in regard to the Wheat Board no longer having to nominate its grower representative. The Opposition is quite happy to support this legislation,

but we are very mindful of the importance of the wheat growing industry to Australia.

MR HOUSE (Katanning-Roe) [3.12 p.m.]: The National Party also supports this legislation which is complementary to the Federal legislation. In doing so I reiterate our party's support for the functions of orderly marketing and particularly the functions of the Australian Wheat Board.

However, we must point out that with this new board comes diminished representation of producers. As I understand it, there were long and earnest discussions with the Federal Minister with regard to representation on the Australian Wheat Board and how the new board would be structured. After those lengthy discussions our producer representatives were not of a unanimous opinion, but in the end they agreed to go along with the proposed changes to the legislation.

I remind producers in Western Australia that after having the chair of the Wheat Board for the last two years we subsequently lost its chairmanship in the producer politics that occurred just after that change. When producers in country areas are facing hard times, I do not believe it is the best time to change producer representation on the Australian Wheat Board. In other words, I very strongly support producer representation.

I suppose it is fair to say that we will be watching with great interest the actions, results, and performance of the newly structured Australian Wheat Board in a marketplace in which it is becoming harder and harder for us to sell our produce and more difficult for Australia to be heard in the international market when there is so much wheat being produced world-wide and our share of that market is diminishing.

So although we do support this legislation, I repeat that we will be watching very carefully the actions of the Australian Wheat Board and if it does not produce results under its new structure we will agitate to have its structure changed.

MR GRILL (Esperance-Dundas—Minister for Agriculture) [3.15 p.m.]: As the previous two speakers have indicated, this legislation simply gets rid of an unnecessary and redundant QANGO. In that respect it does deserve the support of the whole House. It will only reduce costs marginally, by some few thousands of dollars, but nonetheless, any saving for agricultural industries and especially the wheat farmer is to be welcomed. As such, the Govern-

ment is pleased to be able to get rid of this board.

I have taken on board the remarks made by both the member for Moore and the member for Katanning-Roe. I concur with them, actually; the Government also will be watching how the new restructured Wheat Board operates.

I thank members for their support of this legislation.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

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

PEARLING AMENDMENT BILL

Second Reading

Debate resumed from 17 June.

MR TUBBY (Greenough) [3.18 p.m.]: The Opposition supports this Bill and we see the amendments as being necessary for the efficient operation of Government.

As the Minister indicated in his second reading speech, it is necessary to amend the Pearling Act to adjust the fees contained in the Act. It does seem to involve a very cumbersome process and it is certainly a move towards efficiency to have those provisions removed from the Act and included in the regulations and therefore allow for more efficient operation.

The Pearling Act is a very old Act which was introduced in 1912, and it amazed me to discover that no adjustments have been made to the fees involved under this Act since 1965. It seems to be a source of revenue and perhaps, because of the incumbent provisions involved in adjusting those fees, the legislation has not been adjusted and perhaps there lies a source of finance for the Government which has not been capitalised on.

The number of licences required under the parent Act is amazing. Part II, division 1, relating to the types of licences required in the industry includes ship licences, exclusive licences, beachcombers' licences, divers' li-

cences, divers' tenders' licences, shell buyers' licences, pearl dealers' licences, and pearl cleaners' licences. No doubt the fees are required for the renewal of those licences.

The history of the pearling industry is very interesting. It has certainly had a great impact on the north-west of this State. Commercial pearling began in Western Australia in 1861 when James Turner, aboard the Fremantle vessel *Flying Foam*, gathered 910 shells and 150 pearls in the vicinity of Nickol Bay, near Cossack, formerly called Tein Sin. Later Turner engaged Aborigines to dive for pearlshell from dinghies. When the employment of Aborigines was forbidden, Timorese and Javanese divers were imported. In 1873 more than 80 boats were pearling out of Cossack.

During the 1890s Broome, on Roebuck Bay, became the main pearling port, with a fleet upwards of 300 vessels and by 1910 it supported a population of 4 000. By the late 1930s the industry was suffering a decline as the shell beds in shallow waters up to 35 metres had been stripped and divers were forced to enter deep offshore waters in hazardous conditions.

The Japanese withdrew from the industry during the Second World War. That withdrawal had a great effect on the industry and allowed the beds to build up. The pearling industry today is a totally different industry from that which it was then. The shell which was used for the manufacture of buttons and buckles is not as sought after as it was then. The industry is now involved in the farming of the cultured pearl.

The Opposition supports the Bill and sees it as a worthwhile provision.

MR STEPHENS (Stirling) [3.22 p.m.]: The National Party of Australia does not oppose this legislation. However, I wish to place on record our reservations about increasing fees by regulation. From time to time we have expressed our concern about this. I remind members of the House that the State fuel franchise levy was introduced on the basis of allowing it to be increased by regulation. We strongly opposed that provision at the time and we have since seen the remarkable increase in that levy. The amount brought into the Treasury from the levy has increased from \$17 million to \$79 million.

Mr Troy: You are well out.

Mr STEPHENS: Have I underestimated it, because if I am out —

Mr Troy: I will give you accurate figures later.

Mr STEPHENS: I was talking about when the levy was first introduced.

Mr Troy: I am sorry. I thought the member was referring to an increase in one year.

Mr STEPHENS: The Minister should listen to what I say and he could then interject sensibly.

This Parliament has abrogated its right to make determinations on the amount of levies. It is not good enough to say that all regulations are subject to disallowance by Parliament because, as we know, it is more difficult to introduce regulations into the House and to have them disallowed than it is to debate the issue in the first instance.

Whereas we do not oppose the legislation, we place on record our concern about the abrogation of our responsibilities in allowing fees to be raised by regulation.

MR GRILL (Esperance-Dundas—Minister for Fisheries) [3.25 p.m.]: This Bill is very small and is designed to cut away some of the fairly voluminous red tape of Government. Introducing legislation is a cumbersome way of increasing fees. It costs a lot of money and takes much time.

I am pleased that both Opposition parties support the Bill. However, I do not agree with the member for Stirling. I think the party occupying the Treasury bench should have the flexibility and the right to increase and decrease charges. The Government will be judged by the people in due course. If that flexibility is diminished Governments do not have the ability to govern properly. As I said, the people have the right, at the polls, to judge the Government for the way it has handled the economy.

I thank the members for their support of the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

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

LITTER AMENDMENT BILL

Second Reading

Debate resumed from 17 June.

MR CLARKO (Karrinyup) (3.30 p.m.): This Bill seeks to change the composition of the Keep Australia Beautiful Council. It will increase membership of the council from 12 to 15 and it will make a change within the basic 12. I want to say only one horrid thing. Somebody to whom I spoke about this Bill said that it would enable Jeff Carr to go along to Brian Burke and tell him that the Government has another committee on which the numbers are right. Time will tell whether that is too harsh an assessment of that aspect of the Bill because the Government and the Opposition are at one in trying to reduce the litter problem in this State.

The Liberal Party introduced the principal Act in 1979. In this amending legislation the Government could have made changes to the objects and functions of the council had it so wished, but it is not doing so. Therefore, I take it that it supports the highly commendable items set out in the principal Act with respect to the responsibility of the council to promote litter prevention, to encourage litter recycling, and to educate our community.

As ex-teachers, the Minister and I appreciate the tremendous role played by schoolteachers in educating students against littering even before there was a Keep Australia Beautiful Council in this State. I am sure that you, Madam Acting Speaker, would have done the same thing. Over the last 25 years or so the state of the schoolyard has changed dramatically. The basic attitude of children has changed and now an overwhelming number of young people drop their ice-cream wrappers in the bin. Teachers adopted this education process in past times. I note that the member for Mandurah is smiling. He would have done the same thing in his schools. The education process against littering has been going on now for 20 years or so.

In 1979 when we were in Government we set up the formal body, the Keep Australia Beautiful Council, thus formalising our approach to the litter problem in the wider community. Any member of this House who has not had the opportunity to read the second schedule to the principal Act should do so. I believe all members would strongly support it, and I believe

that the Government supports it. It sets out very clearly and succinctly an excellent set of commandments for our community in regard to litter.

The one bone of contention with respect to the litter question has been whether there should be a deposit on particular items. As the Minister would be aware, various groups within our community have quietly struggled over the question of whether items should have deposits paid on them. Many people want to go forward and press the case for heavy deposits in order to encourage people to bring back certain types of commodities.

I was most impressed when I read the KABC annual report of last year in which it produced statistics to show the dramatic reduction in the quantity of litter that is found alongside our major roads. I do not have the statistics in my head, but from memory, over a period of three or four years, the fall in quantitative terms has been about two-thirds of that which used to be picked up for each kilometre. That is very important.

I have just been around the world and have visited many places. The place I liked least was London in the morning. Later this year the Minister will bring in a Bill relating to dogs. I do not know whether he has ever had the opportunity of walking down a London street in the morning, but one has to be very much like Fred Astaire.

Mr Watt: This legislation has nothing to do with dogs, has it?

Mr CLARKO: I am speaking of a different sort of litter. I am speaking about some of the little presents that dogs leave behind when they go for their early morning walks.

Mr Laurance: What about kitty litter?

Mr CLARKO: I know nothing about that subject.

One of the things to be particularly noted about Perth and its suburbs and our country areas is that the community at large is becoming increasingly keen to see that they live in clean environments. They are very keen to play their part in it. Younger people are better than older people in this regard. People of my age thought nothing of consuming a bottle of soft drink and not being careful about its disposal. Our problem was affording the purchase of it. Today young people can afford to buy such items, even if by many classifications they could be regarded as poor. Their attitude in looking for the disposal bin in which to place their empty can or bottle is very good. That

attitude will continue while we have a body charged, as is the KABC, with looking after our environment and providing for us a clean and healthy environment.

The Keep Australia Beautiful Council is charged with seeking to reduce all forms of pollution in our community. I was impressed by something that was said to me by the member for Gascoyne who has recently been much maligned, improperly and unfairly, in this House. He told me that he was driving along with his son who looked out the window and said to his father, "See the pollution, Dad." He was referring to smoke coming from a factory. His father replied, "See the industry; see the development; see the jobs being provided."

Mr Laurance: Production.

Mr CLARKO: The son said "pollution", the member said "production". Under bodies like the KABC there is an opportunity to accommodate the views of both. I think that is what is happening in this State. We are taking proper care to see that we are not having the problems that come from chimney stacks.

Mr Laurance: So that it is not misreported in *Hansard*, I provide the actual words spoken. My son said, "Look, Dad, pollution." I said, "No, son, production."

Mr CLARKO: I thought I had said something like that, but obviously not as clearly, succinctly, and beautifully as the member did. But it is an important point.

It is essential that we live in a clean environment. The Government of which I was a small member, the Court Government, when introducing the principal Act, was very much on the right track. I well remember Hon. Graham MacKinnon going to the United States. Upon his return he gave us a tremendous lecture in the party room on the attitude we should be taking with respect to litter control. I cannot say that I agreed with all the points he made, but he showed his customary enthusiasm and drive which led to the Government of the day taking stronger action in this area.

The Keep Australia Beautiful Council is charged with organising campaigns at a State level continually to keep before the minds of people here the need to have a litter-free society. It also encourages local authorities and others who may wish to participate in some form of local anti-litter drive. Many groups in the State, such as the Scouts and others, collect certain items, which reduces litter and raises funds for worthy causes.

On behalf of the Opposition I express our very keen desire to see that the legislation which was originally created by a Liberal Government in 1979 should continue to play its part in the State.

Specifically, the Bill replaces the representative from the Western Australian Tourism Commission with a nominee of the Department of Conservation and Land Management. The Opposition sees no problem in having a representative of the Department of Conservation and Land Management, but it is not particularly impressed with the removal of the nominee of the Tourism Commission.

Like the Minister, I have spent the last several years of my life on all forms of committees. I have never formed an opinion of how many members should form a committee. It would seem to do no harm for the tourist representative to remain on the committee, especially as the America's Cup period approaches. In view of that and other developments in regard to tourism in this State, the Minister should consider, even at this late stage, ensuring that a representative of the Tourism Commission or the tourism industry is a part of the KABC.

In regard to the increase from 12 to 15, I do not know the magic number.

Mr Cowan interjected.

Mr CLARKO: Some of my colleagues would agree with that. I do not know whether the member agrees with small committees or not; many of my colleagues argue for small committees. I have always felt that a good committee, seriously run, is not dependent on the number but on the individual people. Some committees I have been on have been extremely big and effective groups. In this House we have 56 in Committee.

Mr Spriggs: There are only 10 at present.

Mr CLARKO: There are 57 when we are in the Parliament as a whole. I do not know whether that is any better or any worse than 27 or 97. It would depend on what each individual did.

If the Government wants to put on a member of the Trades and Labor Council, that is its decision, and it is appropriate that it should do so. I am not opposed to it. I am sure the Government will choose a responsible person who will fit into this job and do it seriously. It is unlikely that someone like myself would put on somebody from the Trades and Labor Council, but I would not necessarily be opposed to the person chosen. However, if that

is done, a number of groups in the community will say they should also be included.

In regard to the Conservation Council of Western Australia, I believe this is a proper body to have on the Committee, although I must admit that the acting chairman of that body, who has recently been carrying on about the extension to Marmion Avenue, was arrested recently. I hope the person chosen adopts a rather more responsible attitude than that person did over the extension.

Then there is a person representing the interests of consumers. What is a litter consumer? Is he one of those monsters who gobbles up garbage? I would be interested to know who is a consumer of litter. I do not know if it may be someone working at a council tip or something like that. I say that lightly.

Obviously this is another area where the Minister can choose anybody in Western Australia, from the Governor down to the lowest citizen, to fit that category. Who am I to say a bad choice will be made?

The section which would affect many people is that relating to the requirement to provide the name of a person who has had the use of a vehicle, when, say, someone throws an empty can out of a window of a car being driven by someone other than the owner. That is the purpose of this amendment. I am reluctant to agree to that sort of change, but I understand a number of sections in Western Australian legislation have similar provisions. Once one goes down that slippery slope one must stay there.

The change from 14 to 30 days is reasonable. That is a small change to the definition. I was amazed to find in San Francisco that cars are left on the streets for three, four, or five years. People take various parts off them and the car, which is becoming less of a car, remains in the one spot. In so many parts of the western world, if one parks a car in the wrong spot it will be quickly towed away. I was amazed that people can leave cars which become wrecks on otherwise very attractive streets.

The Minister has not been able to come up with an answer in regard to controlling junk mail. What he says in his second reading speech is correct; the "No junk mail" signs do work. I am told that the professionals who drop catalogues and whatever take notice of them. In my area at the weekend one's letterbox needs to be emptied continually. One man told me he enjoyed receiving this sort of mail

and reading it. I have had a few things in my mail from the Deputy Speaker in recent times.

I do not intend to put up this sort of notice on my letterbox. As politicians we stand on weak ground in regard to taking up a strong defence on the rights and privileges of owners of letterboxes. I guess everyone in this House is guilty. We put out two or three pieces of literature every time we stand for Parliament. Those of us who have been here for a while have been guilty of distributing leaflets into letterboxes.

Mr Carr: We probably do not win too many votes from people who have "No junk mail" on their letterboxes if we put our pamphlets in those.

Mr CLARKO: For the first time in this election I used professional droppers as well as supporters of mine. I did not organise it. I take it they were told not to put pamphlets in boxes labelled "No junk mail". I am sure the Minister has had people ring him up complaining about junk mail. When they have rung me up I have told them I am amongst the guilty.

The situation has improved greatly. It may be that the Minister will not see a very strong commitment in our community by the opponents of junk mail now that this is working, or something like it. He may be able to come up with a better scheme.

In the light of those comments, the Opposition supports the Bill.

MR CARR (Geraldton—Minister for Local Government) [3.49 p.m.]: I thank the member for Karrinyup for his comments on behalf of the Opposition in support of the legislation. It is true, as he says, that the Keep Australia Beautiful Council has been throughout its time substantially a non-political or non-partisan organisation and has enjoyed support from all sides of politics; therefore it is not surprising that the Bill is supported by the Opposition.

The only point which the member made where he may have shown some criticism of the Bill related to the change of numbers from 12 to 15, and the inclusion of four new organisations to be represented on that body.

I do not think it is really fair to say that we have changed the members on the council in such a way that it now becomes a body in the hands of the Government, as such. I do not think the member for Karrinyup meant that as a serious comment.

Mr Clarko: I was merely quoting what was said to me, just to remind you that some people think that way.

Mr CARR: If the member for Karrinyup really believed that was what we were doing, he would have commented in a more opposing frame of mind. With regard to the removal of the representative of the Tourism Commission, it was pointed out to us that the Tourism Commission's own view was that it had enough work to do of its own and did not really see the need to be on the Keep Australia Beautiful Council.

With regard to the other three agencies that are being added, we see it as appropriate that there be a representative of the Trades and Labor Council. Many organisations have a TLC representative and a Confederation of Industry representative and really, when one looks at the history of this organisation, one can see that it is an organisation that already has six representatives of the Confederation of Industry representing the different subsections relating to the various packaging components of the industry. So there is no difficulty in our adding a representative of the TLC.

With regard to both the TLC nominee and the Conservation Council representative, the procedure will be that we will seek a panel of at least three names and make a selection as best we are able from the names submitted to us.

The member for Karrinyup spoke of the success of the Keep Australia Beautiful Council, and I endorse his views. I believe that over a period there has been a change in attitude by many people in Western Australia. One can see that when one drives around the State and looks at the roadsides. While some people would point out places where there is too much litter on the side of the road, most people are prepared to make a comparison over a period and would say it is nowhere near as bad as the situation which existed 10 or 15 years ago. I believe the work carried out by the Keep Australia Beautiful Council in the main has been successful and we certainly do not propose to change the aims or objectives of the council.

The member for Karrinyup made some reference to deposit legislation, and again I concur with him that this has been a fairly keenly-debated issue in the community, with quite strong views held on each side of the argument. The Government is not committed either to introducing deposit legislation or to rejecting deposit legislation, but we see it as one of the

options to be considered in the overall quest for a cleaner Western Australia.

I make no secret of the fact that I have expressed to a number of the manufacturers of packaging that it is our view that if they do not want deposit legislation to be introduced, the onus is very much on private industry to take initiatives to show that they are capable of introducing a recycling programme. The manufacturers have responded positively. I refer to the ACI bottle banks which are in place in many parts of the metropolitan area. One was introduced in Geraldton a week or so ago and others are scheduled to open in different parts of the State.

I refer also to the BHP programme for the collection of steel cans, and to the project for the collection of aluminium cans. As more aluminium cans come into the industry, more activity is going into recycling those cans. I believe, therefore, that the industry has responded fairly well and has taken initiatives with regard to recycling; certainly, as that success continues, it lessens the argument for deposit legislation.

I will make only one other comment in regard to the Keep Australia Beautiful Council—something which is a little disappointing. It relates to the extent of participation by the packaging industry. When the previous Government considered the establishment of the Keep Australia Beautiful Council, it considered the introduction of a compulsory levy on all the manufacturers of packaging and litter, and chose at the time to adopt a voluntary levy. It was estimated at that time that something like 70 firms would be contributing. In fact, it started off with about 30 but dwindled down to somewhere in the region of 12 to 15 firms. It is disappointing that the load is being borne by a relatively small section of the packaging industry, notably the drink container and drink fields.

At this stage the Government is not committed to the introduction of a compulsory levy, but given the dwindling resources from the voluntary levy, we obviously have to look at whether it is necessary to impose a compulsory levy, or whether we are able to gee-up industry to have all firms contributing in a more equitable way. It does not seem fair that a relatively small percentage of the industry is carrying most of the load of the financial contributions.

The member for Karrinyup mentioned junk mail, and without wanting to cover ground that has already been covered, it is the Govern-

ment's view that since we announced our intention to legislate, that announcement in itself has had a desirable effect and has led to more respect being paid to the small number of people who choose to put "No junk mail" signs on their letterboxes.

Mr Thompson: The number of people who put the signs up is almost nil.

Mr CARR: That is quite true. Surveys have been conducted that show over 95 per cent of people want to receive the material, and we certainly would not want to stop those people being able to receive the material. What we do say is that when someone clearly indicates that they do not want to receive junk mail, they should not have to receive it.

Mr Clarko: I would like to have a sign saying "No real junk mail".

Mr CARR: I realise there are subjective judgments to be made on the matter.

I thank the Opposition for its support of the legislation.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

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

LAND AMENDMENT BILL

Second Reading

Debate resumed from 24 June.

MR LAURANCE (Gascoyne) [4.00 p.m.]: The Opposition supports this Bill. It is a sensible move and we commend the Minister for bringing it forward.

The Bill seeks to amend the Act to give more flexibility to the requirements in relation to fencing on farm leases. At the moment the requirement in the Land Act is that fences on what is known as "conditional purchase land" are required to be erected on the boundary lines. For many years in the past, that was appropriate. However, for some time now that provision has been inappropriate, because of the necessity to be far more conscious of the

environmental aspects of farming. In particular, this relates to new land areas in the south and east of the State towards Esperance where erosion, particularly wind erosion, is prevalent. To combat erosion, shelter belts of trees and natural vegetation should be left and the requirement for boundary fences is inappropriate.

It is interesting that the introduction of flexibility in the methods of farming has necessitated changes to the Act. It is clear that the legislation is rather inflexible in this respect and it is high time this amendment was made.

In passing I indicate that it is better to look at flexibility in the use of new land areas to combat problems than to prevent farming there at all. I know difficulties are experienced and, in some areas, we may need to change our attitudes. However, when I was Minister for Lands I tried to take a balanced approach to the extent of enabling the development of some land in those areas. On the one hand, local authorities wanted all the land opened up and, on the other hand, the conservationists wanted all the land locked up, but it is possible to take a balanced approach between the two extremes.

However, changes in methods of farming are required along with changes to land management in those areas which are susceptible to erosion. Shelter belts help to prevent erosion, as do changes in the methods of tillage. These changes are required so that in the future we do not suffer the erosion problems, particularly in respect of wind, that have occurred in the past. It is possible to find solutions to those problems and this land can form part of the productive area of the State; but I am referring there to the wider question.

This is a simple Bill which seeks to give greater flexibility to fencing requirements on farms, and it has our support.

MR STEPHENS (Stirling) [4.03 p.m.]: The National Party also supports this Bill. It is long overdue and it will be welcomed by anyone who adopts a commonsense approach to conservation. In the past it has been unrealistic to force farmers to erect a boundary fence in order to obtain freehold title when, not only for conservation reasons, but also on occasions in breakaway country, commonsense decreed that the land should be fenced out. However, the Act has not allowed that, notwithstanding the fact, as the Minister pointed out in his second reading speech, that once a fence was erected there was no provision to ensure that, when the freehold title was given, it was not taken up.

This is a commonsense measure which is long overdue, and we are very pleased to support it.

MR TAYLOR (Kalgoorlie—Minister for Lands) [4.04 p.m.]: I thank the members for Gascoyne and Stirling for their indications of support for the legislation.

I take no great credit for bringing forward the Bill. All the work was done by the previous Minister for Lands (Ken McIver) and it was my job to bring the legislation before the House.

This Bill is long overdue and the Government indicated previously that, if possible, it would be introduced in this session of Parliament.

In passing, I mention the matter raised by the member for Gascoyne which related to the whole question of land release. I certainly agree that probably some land can be released if it is farmed in an environmentally and economically responsible way. Certainly as chairman of the Select Committee on rural hardship one of the aspects I noticed was that every farmer we met cared greatly about the environment and believed he should look after his land. It was really only economic constraints on farmers which, on occasions, meant that the land was mined rather than farmed. Each and every one of those farmers faced such a situation with great regret.

I thank both members for their indications of support for this worthwhile legislation.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

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

HOUSING LOAN GUARANTEE AMENDMENT BILL

Second Reading

Debate resumed from 24 June.

MR LEWIS (East Melbourne) [4.08 p.m.]: The Opposition supports the Bill. It is a welcome facility which will streamline the Act and bring it up to date with present trends.

The Bill has seven clauses, four of which are not relevant to what is sought to be achieved. The restriction in the Act refers specifically to "new homes". The amendment proposes to delete the word "new" which will allow the guarantees, etc. contained in the legislation to attach to homes other than new homes.

Clause 4 is a machinery provision which seeks to give the Treasurer the ability to delegate his powers, and such delegation will be recognised by law.

Clause 5 amends section 7A of the parent Act by repealing subsection (2a) and substituting administrative procedures which will allow progress payments on the basis of valuations made for up to 90 per cent of uncompleted homes.

Clause 6 is probably the most important clause in the Bill. It extends the scope of the parent Act to encompass guarantees on low income homes. Previously that was not permissible, and this amendment does away with the need for people in that sort of housing to meet the \$400 to \$500 cost of mortgage insurance. That is a welcome amendment to the Act. I believe, however, there is a need for caution here and a contingency risk factor that should be addressed. I am not sure whether the Minister or the Treasury has made contingencies to provide for this possible risk. The Minister said in his second reading speech that only \$30 000 had been claimed in relation to the many millions of dollars that had been lent, so I do not see it as a great risk, but I think contingencies should be allowed.

I would like to take this opportunity to draw the House's attention to what the Opposition and I see as a very real and serious problem looming within the rental housing industry in Western Australia. We are all aware of the Federal legislation which removed the ability of taxpayers to use negative gearing. A capital gains tax was introduced at the same time, and those two matters coupled with investment returns have removed any incentive whatever for investors to go out and continue to supply a much required stock of medium to low income rental housing.

It is incumbent on the Government of the day at least to acknowledge and recognise the factors that have caused this impending problem, and possibly to make a statement about how it believes it can be rectified. To explain this point a little further, my understanding is that most of the rental housing in the private sector is held by small investors. They were

lucky to get 4 per cent or 5 per cent net per annum on their investment. Nevertheless, after holding that investment for 5 to 10 years, and taking into account the accrued capital gain and the ability to use negative gearing, the annual percentage return on their investment probably averaged 14 per cent or 15 per cent which is acceptable in the market today. So those investors were happy to hold their real estate investments in those circumstances.

However, with the Federal Government's taxing measures there is now no incentive for small investors to get into the lower income rental market. It is a matter of fact today that vacancy rates are 0.5 of one per cent which is quite a serious situation. The norm in the marketplace is about three per cent to four per cent, so a 0.5 per cent vacancy factor means that property today is vacant for only two days a year.

The effect has been seen in the mounting rents that are being charged, and increases of 40 per cent to 50 per cent have been reported in the Press. My understanding is those reports are certainly not exaggerated. Less and less lower income rental housing is being built by the private sector. It is very important that the Government address this imminent problem because I believe that in 12 months' time it will be even more manifest in a negative vacancy factor and extremely high rents. If ever there was a time for the Government to make a statement and pick up the initiative on this matter, it is now.

The Opposition is happy to support the Bill.

MR WILSON (Nollamara—Minister for Housing) [4.17 p.m.]: I am grateful to the member for East Melville and to the Opposition for their support of the Bill. As the member has said, it contains necessary updating of the provisions of the Act and it does so in a way which will be to the advantage of prospective home buyers, particularly those in the lower income groups who are much assisted by any up-front measure that can ease the pain of that initial outlay—for a first home buyer in particular—and give them the capacity to become a home owner.

The member has taken advantage of this debate to make some comments with respect to the current problems confronting the private rental market in Western Australia. Strange as he may find it, I wholeheartedly agree with his comments. I can take no issue at all with anything he said with respect to the problems facing that sector. However, it is a developing

situation, and it should be understood that in some respects this problem has not just arisen; it has been building up for a number of years in this State for a number of reasons. It has certainly been greatly exacerbated by the taxation changes in recent times; that cannot be denied. They have curtailed the interest of potential investors in private rental accommodation, and that is a matter for considerable concern.

With respect to the smaller investor, we have the same sort of problem that is faced by financial institutions such as savings banks and building societies in seeking deposits. One of the sad facts of life at present is that people have been educated to place their money in areas where they will get the greatest return. Just as savings banks and building societies have suffered from this, so has the private rental market. Smaller investors have been educated to the point where they can now get more money from cash management trusts and other sources where they can invest their money, and there is less interest in putting their funds into private rental accommodation where those returns just have not been available.

One of the long-term problems of investing in private rental accommodation is the poor returns investors have been receiving over a period. This problem has been exacerbated by the taxation measures and high interest rates which have been experienced over the last 12 months and which are still a major deterrent in that area. The Government is certainly concerned about this matter and as members of the Opposition have previously indicated it has a serious impact on the need to provide more funds to the public sector for rental accommodation through Homeswest. This is a matter about which the Government is most concerned because the funds available will become less in the future.

One initiative which the Government has taken—which I hope is a sign of other initiatives in the future—is an agreement which has been reached with the Town and Country W.A. Building Society to use Homeswest land and to provide an up-front concession to the society by selling it the land with full payment being deferred to a later stage. Under that scheme the Town and Country W.A. Building Society will provide 100 homes for private rental accommodation with rent levels to be guaranteed over a period of three years and with an option to the occupiers to purchase the property at the completion of those three years.

The Chairman of the Town and Country W.A. Building Society has a strong belief that the important point about home ownership is not the deposit which must be provided, but the purchaser's capacity to prove he is a good payer. He believes that through systems like the one which has been proposed, those people who may not believe they are capable of meeting house repayments will be encouraged to make a commitment.

The Government is currently looking at initiatives in conjunction with the private sector in order that it can provide concessions to private investors to provide private rental accommodation. Such action would take the weight off the State Government, through Homeswest, to provide very costly rental accommodation. However, this action is not possible in all parts of the State. It is possible in the metropolitan area, but it is less feasible and less possible in other parts of the State, where Government authorities are the only means by which housing can be provided.

I take on board the comments by the member for East Melville. The Government will continue to seek to work in conjunction with the private sector to provide possible incentives to promote private rental construction.

The State Government is currently urging the Federal Government to extend the four per cent depreciation allowance to eight per cent on the basis that that would be a real incentive to private investors to invest in private rental accommodation. This Government has the support of other State Ministers for Housing in its approach to the Commonwealth. Next week I will be attending a seminar which has been organised by the real estate industry and West Australian Newspapers Ltd to consider ways of promoting additional private investment in private rental construction.

The Government wishes to work with private investors and the real estate industry to encourage more private investment; in spite of the recent tax changes we must make potential investors aware of the opportunities available by joint ventures with Homeswest and through the Government in conjunction with private investors. Eventually that will take the onus off the Government and will relieve expenditure of the public purse and this will meet the wishes not only of the Opposition, but also of the Government.

I thank the Opposition for its support of the Bill.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Leave granted to proceed forthwith to the third reading.

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

BILLS (4): MESSAGES

Appropriations

Messages from the Governor received and read recommending appropriations for the purposes of the following Bills—

1. Supply Bill.
2. Housing Loan Guarantee Amendment Bill.
3. Western Australian Arts Council Repeal Bill.
4. Acts Amendment (Electoral Reform) Bill.

ACTS AMENDMENT (INDUSTRIAL RELATIONS) BILL

Second Reading

MR THOMPSON (Kalamunda) [4.31 p.m.]: I move—

That the Bill be now read a second time.

It is not very often in this place on an issue such as disciplinary action against a union that there is agreement from both sides of the House. That is the fact of the matter with respect to the Builders Labourers Federation. There is complete unanimity in this place with respect to the view that something should be done to curb this union that has wrought such havoc on this community over such a long period. The only difference between the Opposition and the Government on this issue is the extent to which disciplinary action should be taken against the union.

The Opposition can claim to have acted correctly when, last December, prior to the last election, it introduced into the Legislative Council a Bill to deregister the Builders Labourers Federation. That happened long before any action was taken by Governments at the national level and in two of the major States of Australia. It was not an action taken lightly by the Opposition. However it was clear

to the Opposition, as it was clear also to significant groups within the construction and building industry, that something had to be done about this union.

In that first instance the Government ran away from the issue; it prematurely closed the Parliament in order to dodge a number of issues, one of which was the question of what to do about the Builders Labourers Federation. The Government would have had to bite the bullet on that occasion and declare whether it was going to do something in this State about that union. History reveals that the Government took the easy option.

Indeed, the code of conduct which it has recently announced will be introduced is again taking the soft option in dealing with a real problem. To give some indication to the House and to the community of the domination of this problem, one needs to look at the cost to industry that has resulted from disruption in the building industry in Australia generally, and in this State particularly, as a result of the delinquent actions of the Builders Labourers Federation. In the year prior to its being deregistered the loss to the Australian economy nationally was \$300 million. In Western Australia it amounted to \$30 million, a significant loss to that industry as a result of disruption brought about by the actions of the Builders Labourers Federation.

There is no doubt that action needs to be taken to bring this union into line with normal industrial practices. The union has quite unashamedly said that it will pursue its course of disruption and strongarm tactics despite the efforts of the Industrial Relations Commission and the Burke Government. Indeed, Hon. Tom Butler, who is now a member of the Legislative Council and President of the Australian Labor Party in Western Australia, was appointed by the Burke Government to act as a mediator dealing with the unions in this State. In particular, he had a brief to try to get common-sense from the Builders Labourers Federation. That has not been forthcoming and, indeed, if one listens to key figures within the industry, it is clear that the Builders Labourers Federation has absolutely no intention of conforming to any recognised acceptable standard of behaviour in the industrial arena. Its members have said quite deliberately that they will pursue their course. They have incurred the wrath of significant industry groups and also of the Industrial Relations Commission.

I refer to comments made by Commissioner Coleman on a long-running dispute involving construction of the Perth Airport. I quote from a statement he made on 5 July 1985—

There appears to be a reluctance by the union to use the available arbitration system. The union could be burning their last bridge as far as the commission is concerned.

It is not just the employers or the Opposition who are saying that the Builders Labourers Federation has gone beyond the pale. It is the Industrial Relations Commission itself.

A member interjected.

Mr THOMPSON: Jim Coleman is a person I greatly respect. He is an honourable and just man. The fact that he comes from an industrial background further points to the problem with the BLF in this State. We have had the spectacle of actions taken nationally in Victoria and New South Wales and our Premier and other Ministers of the Crown saying that the BLF in this State is quite okay.

Mr Peter Dowding: They did not say that at all.

Mr THOMPSON: It has been said that they are less disruptive than their counterparts.

Mr Peter Dowding: The Governments of Queensland and South Australia have not sought to deregister the BLF because its conduct has been different from that in New South Wales and Victoria.

Mr THOMPSON: What has been said by some of the Minister's people, including the Premier, is that the BLF in this State has been less disruptive than its counterparts in other States and in the Commonwealth, where Labor Governments have moved to deregister them.

I refer to the point made by the Minister. In this State, because of the America's Cup and one or two other events, there is a fair amount of building activity although nowhere near the degree of building activity that prevailed in the late 1960s and early 1970s. I concede there is some building activity at present, probably more than there is in Tasmania, South Australia or Queensland. There is not the degree of disruption in those States that there is here. I think the Minister is drawing a longbow when he says there is some parallel between that which is occurring in Queensland, Tasmania and South Australia and that which is happening in Western Australia. They are entirely different situations. One need look only at the figures I quoted earlier. Nationally,

\$300 million is lost as a result of the actions of the BLF. Ten per cent of that figure—\$30 million—is lost in Western Australia. That is a significant percentage when one considers that of the 15 million people who live in Australia, only one million of them live in this State. That \$30 million represents a significantly higher percentage when compared with the population of other States.

Mr Peter Dowding: On what date was that calculation made?

Mr THOMPSON: The calculation was made immediately prior to the 12-month period ending at the time the BLF was deregistered nationally. They are relevant and current figures which are significant when one considers the size of Western Australia and the 10 per cent loss to this nation's economy which has occurred in Western Australia.

I refer to the point I made at the commencement of my speech: There is no question that both sides of this Parliament agree that some disciplinary action needs to be taken against the BLF. The only argument the Opposition has with the Government is the extent to which that disciplinary action should apply.

Mr Peter Dowding: Would you comment on whether the circumstances are the same in the Eastern States, with deregistration occurring as it is, in relation to the attitude of other unions towards it?

Mr THOMPSON: From my observations of the situation and from discussions I have had with people in the workplace in this State about the problems created by the BLF, there is great similarity between the actions of that union and the unions in the other States. It is causing trouble not only for the builders in that industry and the industry groups such as the Australian Federation of Construction Contractors, the Confederation of Western Australian Industry, and the Master Builders Association, but also within the trade union movement itself. It has confronted the Plumbers and Gasfitters Union, the Electrical Trades Union and a number of other unions. Demarcation disputes have been caused, not by its actions, but by pressure of unionists in this State. That is a big part of the problem.

One needs only go into a company of working people who belong to a union in this State to find they are critical of the BLF. They comment on the fact that the BLF does not command respect from the community. So, not only builders and members of this House but also decent union members are concerned

about the BLF. The reputation of the union movement is being tarnished by the actions of this union.

If one looks at some of the disputes that have taken place right across the board one will see that in recent times the BLF has developed the tactic of coming forward with a complaint and when it meets with no joy, it then trumps up some silly issue as a "homer", and its members down tools and go home on the basis of that trumped-up charge. The BLF is using the system in a way which is unfair and un-Australian to try to get its way. It is trying to bludgeon, by brute force, its way through the system. It simply cannot be tolerated.

I emphasise that the union in this State has been disruptive and as irresponsible in its actions as it has been in the Eastern States.

Mr Peter Dowding: What about compared with other unions? The statistics show that other unions have in fact had more claims for loss of time that has the BLF.

Mr THOMPSON: The only other union to which one could compare the BLF in this State is the Building Workers' Industrial Union. Many people in industry have said to me that the BWIU should be included in this Bill, because it has been as disruptive as the BLF.

Mr Peter Dowding: Why don't you include it?

Mr THOMPSON: The Opposition probably will move an amendment to that effect. We will accept an amendment moved by the Minister.

Mr Peter Dowding: That will create constitutional problems won't it?

Mr THOMPSON: That could be one of the reasons the BWIU is not mentioned in this legislation. I concede that there are problems in this area. However, to make the point, it may be that the Opposition will move to amend this Bill to include the BWIU. The Minister has indicated by nodding his head—and I am hesitant to interpret the movement of the Minister's head, following his attack upon one of my colleagues last night—that he agrees with the proposition that the BWIU in this State has been as disruptive as, if not more disruptive than, the BLF. I had the distinct impression that that was so, but I stand to be corrected if it is not the case. However, this is a matter which is of concern to the building industry in this State.

As far as I am able to ascertain, what has happened in Australia is unique. The Commonwealth Government and the Governments

of the two most populous States in Australia—all of them Labor Governments—have brought legislation to their respective Parliaments to deregister a union, a not insignificant act. For political reasons the Burke Government has shied away from its responsibility to do likewise in this State. It owes something to certain sections of the trade union movement in this State, and those unions have simply called in the favours which they have given to certain factions within the Government. That is clear to me and it is clear to the Opposition generally.

For brutal political reasons this Government is shirking its responsibility to the wider community in this State, and this will go down as a black mark against the Burke Government. I will not say that the Burke Government does not have the guts to deregister the union, but it does not have the will to do it. That will be lacking because the Government must serve some grotty political purpose. I do not believe that is fair to the people who risk significant sums of their hard-earned money to construct buildings and undertake projects in this State. It is not fair that they should be let down by a Government which is not prepared to shoulder its responsibilities and pull into line a union that has demonstrated that it is as guilty of disruption in this State as it has been guilty in other States and in the Commonwealth generally. It is even less fair when one considers that action has been taken by Labor Governments elsewhere.

Mr Peter Dowding: You know that is not fair. It is rubbish.

Mr THOMPSON: It is not rubbish. Figures compiled by the Australian Federation of Construction Contractors show that in the nine months to May 1986 the BLF was involved in 71 per cent of disputes recorded in the construction industry in Western Australia. That figure compares with seven per cent and 28 per cent respectively of disputes which arose out of actions by the Plumbers and Gasfitters Employees' Union and the Painters and Decorators' Union. That is a significant figure, because 71 per cent is a high percentage of disputes to have been wrought by this particular union.

It is not fair on industry for the BLF to earn the support of the Government. It is not as though industry did not make a clear call to the Government to follow the examples set by the Commonwealth, New South Wales, and Victoria. Every significant employer group which has an interest in the building industry

in this State has clearly asked the Government to deregister the BLF here. That is a not insignificant factor, because the situation has been such in this State that the BLF, which is very powerful and disruptive, has caused employer groups and individual employers to be reluctant to identify themselves as opponents of the union.

Many people have come to the Opposition and given examples of disruption caused by the BLF, but they have asked it not to give the circumstances of the disputes or, in fact, of their cases. They have done this for the simple reason that they know that if they are identified, they will be targets for reprisals. In many cases in industry, individuals have expressed their concern but have not wanted the details to be made public for fear of reprisals.

That has been the background, and it is significant to note that every major employer organisation has come to the Government and said, "We ask that you deregister the BLF, as has been done elsewhere in Australia". This Government has shirked its responsibilities and has come forward with a code of conduct proposal which is yet to see the light of day. Undoubtedly the Minister will discuss this Bill tomorrow or next week and we will hear what is actually contained within that code of conduct.

It will not matter what this code of conduct says, the BLF will pursue its aims with utmost vigour. Indeed that has already been stated by executives of the BLF. Immediately after the Burke Government announced there was to be a code of conduct, these executives, firstly, condemned the Government for wanting to take action against it, and, secondly, said that the union did not care about the code of conduct, because it had the interests of its members to pursue using whatever action they thought appropriate to achieve the union's ends.

We are not dealing with a union which has shown any sort of desire to do the right thing. It has simply decided that it will do things its way and it does not care what the Government does. I suppose if we looked at it in crude political terms, the Opposition should sit back and say, "We will just allow the BLF to go on", because every time disruption is caused by the union, the concern of the community surely must motivate people to vote the Government out of office at the next election. However, members in this place have a high responsibility to ensure that the day-to-day operations of the building industry, and, indeed, any industry, are as far as possible protected from

militancy and from unfair tactics by any group, be it a union, a group of employers, or whatever.

We will need to pursue with utmost vigour the deregistration of this union to demonstrate to it, and to the union movement generally, that there is a limit beyond which the community will not accept a union going.

The Government of this State has missed a golden opportunity to bring some sense into the industrial relations arena at a time when our dollar is becoming less valuable. I am told that people overseas are about to buy Australian dollars to use them for the centres of buttons because they are so valueless. At a time when our economy is rapidly declining the community cannot afford to lose \$30 million because of the actions of a union. It is totally unacceptable to the Opposition for the Government to simply tell the union, as it is doing by way of its proposal for a code of conduct, "We will give you another chance." It has had plenty of chances. Tom Butler tried to exercise his influence over the union and to inject some sense into its operations, but his efforts were to no avail. Comments that have been made by members of that union indicate they have absolutely no intention of doing the right thing.

This Bill is not introduced as a measure which was framed on the spur of the moment after the Commonwealth Government had taken action and after the Australian Conciliation and Arbitration Commission had recommended deregulation of the BLF; we initiated action before action was taken nationally or in some other States because we could see that something needed to be done. What the Opposition does today, and what we did on the opening day of Parliament when we gave notice of our intention to introduce this Bill, is to pick up where we were forced to leave the matter when the Government ran away from the issue by prematurely closing Parliament in December of last year.

By introducing this legislation the Opposition is simply continuing an action which we thought to be appropriate and which coincidentally has now been emulated by the Hawke Government and the Labor Governments of New South Wales and Victoria.

The Bill is fairly straightforward. It defines the Builders Labourers Federation. It also gives an interpretation of the words "deregistration of an organisation". It then provides for the deregistration of that organisation and it also provides for reinstatement of that union after

five years. When this Bill is proclaimed the Builders Labourers Federation in Western Australia will be deregistered for five years and the union will not be reregistered in this State until such time as it satisfies the Industrial Relations Commission that it will adhere to the normal standards of industrial conduct; and, in arriving at its decision, the Industrial Relations Commission would take advice from the Australian Federation of Construction Contractors, the Building Trades Association, the Confederation of Western Australian Industry (Inc), the Master Builders Association, and the Trades and Labor Council. I do apologise to the organisation concerned, but another organisation which will be included as a result of an amendment I will move is the Housing Industry Association, because it has an interest in this matter. Until recently the BLF did not have much involvement in the housing industry, but recently there has been an indication that it is moving into that area. The Opposition recognises that the Industrial Relations Commission, when considering the reregistration of the BLF after it has been in limbo for five years, should talk to the Housing Industry Association.

The Builders Labourers Federation, as members will see from the industry groups I have mentioned, has a fairly wide impact in our society. However, in recent years the BLF has concentrated its efforts mainly on the central city block—or the high-rise buildings being erected. In recent times the BLF has demonstrated its intention to move people out. The union is having a tentacle-like impact on the industry, not only in the centre of Perth, but now also in other parts of the metropolitan area and indeed in country areas.

What the Builders Labourers Federation has done in regard to the Austmark project in Bunbury is nothing short of scandalous: It has caused that project to be delayed by many months, with a consequent dramatic increase in the cost of the project. From the base of the Austmark project site in Bunbury the BLF has extended its tentacles down to the Augusta hospital and has caused problems on that site. Complaints from those involved in the Augusta hospital project have not come from the building contractor but from the ordinary working people on the job who simply do not want to be pushed around and intimidated in the way the BLF has been doing since it extended its activities to that area.

Mr Peter Dowding: I am told it was the BWIU, not the BLF.

Mr THOMPSON: We were told it was the Builders Labourers Federation. We see the other union the Minister mentioned as being just as disruptive as the BLF. My advice is that the BLF was the union concerned, but I stand corrected if I am wrong. The BLF is moving out of the central city block and is entering other building projects in this State and carrying on in the same irresponsible way as it has done in regard to the Austmark site.

Without doubt, this Parliament must take the strongest possible action to demonstrate to this union that what it is doing is unacceptable. I call on the Government to support this Bill, because I see it as being the only appropriate way to get the message home, and the only real way that peace and commonsense will return to the building industry in this State.

Debate adjourned, on motion by Mr Peter Dowding (Minister for Industrial Relations).

GOVERNMENT CHARGES

Referral to Public Accounts Committee: Motion

MR HASSELL (Cottesloe—Leader of the Opposition) [5.09 p.m.]: I move—

That the House refers to the Public Accounts Committee for examination, consideration and report to the House the justification for recent increases in charges for electricity, gas and water; to the intent that the Prime Minister in his address to the nation and the Premier in his economic statement both suggested that surveillance of prices in the private sector needed to be increased and that the view of the House is that the surveillance of prices charged by public monopolies such as the State Energy Commission and the Water Authority should also be subject to independent scrutiny; and further to this objective that it be the resolution of this House that each year the prices charged by Western Australian Government monopolies should be subject to scrutiny and justification before the Public Accounts Committee which should report to the Assembly and through the Assembly to the public of the State.

The situation is that we are now experiencing times of great economic stringency and that stringency will increase dramatically in the next 12 months.

Members of this House might well contemplate a few questions. Do they believe that, at the end of this year, we will have a rate of inflation comparable with that of our trading

partners—that is, somewhere between three and five per cent? Do they believe that, at the end of this year, the Federal Budget will have been balanced? Or do they believe that there will still be a substantial deficit, bearing in mind that only on Monday of this week, the result of the Federal Government's financial year was announced indicating that the deficit would not be \$4 800 million as had been predicted only in August last year but that, in fact, it would be \$800 million more? Does anyone believe that we will have a balanced Budget or a low deficit at the end of this year? Do members of this House believe that, at the end of this year, Australia will have a sound currency once again, that our dollar will be strong, and that it will have some basic parity with the currencies of our major trading partners; or do members believe that, at the end of the year, the dollar will still be weak? Do members believe that, at the end of this year, Australia will have an incentive taxation system and will have got rid of the iniquitous system that now applies and will have got rid of the iniquitous new taxes introduced by the Federal Labor Government? Do members believe that, at the end of the year, Australia will have interest rates comparable with those which apply in the nations of our major trading partners?

I spoke this morning with a business group—people involved in borrowing funds for business operations. Those people will borrow money today from banks at a rate of 15 per cent or more. People in similar businesses in Japan could borrow money today from banks at a rate of five per cent or less. Those are the business conditions applying in Australia and in Western Australia right now as a result of the economic policies pursued by the Federal Labor Government, with the full support of the Western Australian Labor Government.

The answers to the questions that I posed are very clear to anyone who makes any realistic assessment of what is happening in Australia today. At the end of this year we will still have high interest rates, we will still have a weak currency, and we will still have high inflation, even if it dips a little before it rises again next year. We will still have an unfair, iniquitous taxation system, we will still have a continuation of industrial conflict under an arbitration system that is in desperate need of substantial reform, and we will still have the unreality of economic conditions which caused the current crisis in Australia as the world's confidence in Australia falls. In all of those circumstances we will continue to hear the cries of requests from

Governments, both Federal and State, for restraint, and for people to make sacrifices and to give up what might otherwise be regarded as their entitlements.

We have seen some measure of that restraint played out in the last couple of weeks with a decision by the Australian Conciliation and Arbitration Commission, after a delay of some months, granting a wage increase of 2.3 per cent. A number of commentators—people in businesses and people outside Australia—suggested that even a small rise in national wages was too much, and that it was economically unrealistic. Yet, as much as I am of the belief that we need a great deal of restraint in this country right now, it is difficult to say to the working people of Australia that they should accept such a level of restraint and should accept the proposition that they should not have received even that small wage increase while Governments continue to increase their prices and their charges at such a disproportionate rate with so little regard for the impact those increases have on the working people and the right of those people to expect that Governments, too, should exercise restraint and care and that Governments should have the courage and the strength to impose on their authorities the same measure of restraint and sacrifice that they are demanding from the rest of the community.

The Premier made a statement in this House on 24 June about prices, amongst other things. The statement called on the Federal Government to take more action on prices charged in the private sector. The Premier said—

It—

the Government

—will also urge the Commonwealth to give more teeth to the Prices Surveillance Authority.

The Prices Surveillance Authority is charged with the responsibility of monitoring the prices of goods and services in the private sector. Yet, if there are any prices which do not need monitoring, it is those in the private sector where there is choice and competition. That was starkly illustrated the other day when I visited a north-west town and spoke to the proprietor of a Foodland store. He told me how difficult it was for him in that remote town to trade successfully and profitably against the competition provided by G. J. Coles and Co Ltd because Coles, being such a large organisation, had the buying power and the buying capacity to get its goods more cheaply than he did and therefore

provided him with continuing competition. Of course, the truth is that, in that town, those two stores were locked in deadly competition every day and the consumers made a choice every day about where they would shop for their basic food items.

There is hardly a need for those people to be subject to the scrutiny of the Prices Surveillance Authority. However, when those same stores, as consumers, purchase power, water, and gas from State monopolies, the story is far different.

Business and private consumers in Western Australia do not have a choice. They do not have competing suppliers offering them goods and services at rates and prices which are kept down by the competition. They do not have a Prices Surveillance Authority to keep an eye on their interests, to call on the producers of those goods and services to justify their prices, not only in terms of saying, "These are the costs and therefore these are the prices we must charge", but also in terms of justifying the costs which they incur. Who is able to say that the losses incurred by the Water Authority are justifiable in terms of the efficiency and effectiveness of its operation? Who is able to say that the State Energy Commission is not simply finding an excuse in its gas surplus and its interest charges?

The State Energy Commission should look to the efficiency and effectiveness of its production, and the level of its manpower relative to its production. The Water Authority and the Energy Commission are not subject to the pressure of competition and choice. They are unique Government monopolies providing essential services and the only protector of the consumer is the Government. While it is true that even this Government attempts to intervene between those authorities and the public to see that the prices charged are fair, let it not be forgotten that the Government has a conflicting interest. I use the examples of the Energy Commission and the Water Authority without meaning by doing so to exclude other Government monopolies that provide essential services.

The Government, as the owner of those entrepreneurial business operations, is itself an entrepreneur. It is interested in the capacity to raise revenue, to increase the revenue take, and to have those business operations produce a return of some kind on the capital invested. The Government should be interested in those matters, but in taking that interest it has a confused role. It has a regulatory role, an

overseeing role, an entrepreneurial role, and an interest as an entrepreneur in return on capital. There is no body to stand aside and look at those authorities' charges, as does the Prices Surveillance Authority with respect to prices, from the point of view of the consumer. The consumer is a captive market for those authorities, those monopolies, and has no redress except once every three years at the ballot box. A few months ago those consumers were misled and deceived by this Government, which solemnly promised to keep down taxes and charges to the rate of inflation or less and then, a mere four months later, increased them beyond the rate of inflation.

Let the House be reminded of what was said by this Government a few months ago in its policy document "People in Business" released before the 1986 election, less than five months ago. Under the heading "Taxes and Charges", the Labor Party said—

Central to this Government's policies is the belief that taxes and charges must be kept to an absolute minimum... Accordingly Labor will:

Ensure the economic strategy of the last 2 State Budgets of minimising taxes and charges is maintained. This stringent policy has meant that most State Government taxes and charges have risen by less than the rate of inflation... Launch new initiatives for the further reduction of payroll tax...

That material was designed to deceive; it was designed to suggest to the consumers—the taxpayers and voters of Western Australia—that the Labor Government would keep its charges at or below the rate of inflation. That included charges for electricity, gas, and water. Just a few months after the election, that has not been done.

In *The West Australian* of 23 January 1986, at page 16 there was a report of an interview with the Premier undertaken just prior to the State election. Under the heading, "I am happy to be Premier", the Premier was asked the following question—

Would you expect to be able to keep the lid on Government taxes and charges in the first year after this election?

The Premier, aspiring to be re-elected, replied—

I think we could continue our policy of increases that did not exceed the inflation rate. Remember that we have adhered to that for two successive Budgets.

The Government made not the slightest pretence of adhering to those undertakings when it considered the charges to be applied in June of 1986. The Government simply proceeded to add on the charges that it approved on the application of the State Energy Commission and the Water Authority and provided no justification except vague excuses for having done so.

In the Prime Minister's address to the nation he also referred to the need for restraint and control of prices. On 11 June, he said—

The Prices Surveillance Authority activities are an integral part of the accord which provides for overall income restraint to assist economic recovery.

The Prices Surveillance Authority seeks to prevent the exploitation by corporations of substantial market power. The Government will discuss... the establishment of a mechanism... to assist its work in identifying areas for further activity, including further categories of strategic goods possibly appropriate for the Prices Surveillance Authority.

Governments have the responsibility to take the lead in their own affairs.

What a condemnation of this Government! To continue—

The necessary degree of fiscal discipline needs to be accepted by all levels of Government.

[Questions taken.]

Sitting suspended from 6.00 to 7.15 p.m.

Mr HASSELL: These matters are all very well when one is talking about the private sector, but I come back to this point: What about the public sector? What about Government monopolies which operate in an environment of total protection and total exclusivity, with no competition, and a capacity to put up prices with the approval of the Government, without any external examination, check, or control?

It is interesting to recall to the minds of Government members the statement by the then Deputy Leader of the Opposition, Mr

Bryce, in the "Political Notes" of 9 December 1982 when he said—

A prices and incomes policy should involve wage and price restraint, tax relief—

Hear that! He was talking about tax relief—a man who has supported a whole range of taxes and increased taxes. He went on as follows—

—and the holding down of Government controlled charges, electricity and gas, and Government influenced charges such as health insurance and housing interest rates.

In pre-election advertising in 1983 the present Premier said this—

A wages freeze without a prices freeze won't work. Let's face it. You can't expect people on one hand to be reaching into their pocket to pay for price rises when their income has been frozen on the other.

Mr Pearce: We have had a 2.3 per cent increase.

Mr HASSELL: That is exactly what is happening now. People have had a 2.3 per cent increase in pay and a 10 per cent increase in water charges and a 12 per cent increase in electricity and gas charges.

Mr Pearce: What have their wage rises been since the last time charges were increased?

Mr HASSELL: The wage rises have not been in any way commensurate with the increases the Government has imposed on them since it came to office. The fact is Government taxes and charges have just gone up by between seven per cent and 92 per cent while the average male worker has received an after-tax wage rise of 1.2 per cent. Mortgage interest rates have risen from 14.5 per cent to 15.5 per cent, a rise of seven per cent in itself, which will more than wipe out the award increase.

With wage restraint being practised and accepted by the working community it is time the Government accepted its responsibility to hold down increases within its area of influence. It is no good the Government spouting rhetoric before elections and in economic statements if the rhetoric is not backed by solid commitment and action when it is available. If the Government believed before the 1983 State election that restraint in wages should be matched by restraint in Government now is the time to do something other than talk about it.

There can be no valid reason for the Government's objecting to an independent body—if a committee of this House can be called independent—undertaking surveillance of price rises in

the public sector. We would hope that the Government will accept this motion, not only because it is fundamentally right and because the Premier and Prime Minister have spoken of the need for price surveillance, but also because the Premier has spoken in this House on more than one occasion about an enhanced and increased role for the Public Accounts Committee.

We accept that it is the responsibility of Government to approve, to set, and to be accountable for the charges made by Government monopolies. That responsibility is not diminished by the reference to the Public Accounts Committee annually of increases in State charges—we are not talking about taxes which of course are a direct responsibility of Government—which are the responsibility of Government business operations and should be subject to scrutiny and overview. A sensible Government would be pleased to have that overview because, if the price increases were justified, the Government would be reinforced in its decisions.

Acceptance of this motion will show the public that the Government takes the matter seriously. It will show the public that the Government is prepared, not only to say the right thing, but also to actually do something about it. Rejection of the motion will show the public that the Government is not prepared to face up to the responsibilities it espouses. It will show that, when the Premier talks about an increased role for the Public Accounts Committee, he does not mean it. It will show that, when the Labor Party policy of 1983 espoused the need for an effective committee system, it did not mean it. It will show that those words were merely words of convenience.

The other day the Premier used pious words about the behaviour of people in Parliament. I understand you, Mr Speaker, had something to say about it, too, although I did not hear what you said. It is time that a committee of this Parliament worked in a bipartisan and proper way on behalf of the public. Government secrecy and pragmatism should not outweigh the need for the substantial increase in electricity, gas, and water to be examined.

When the Government was seeking to justify the increases in electricity and gas charges it said that the 12 per cent rise should be blamed on interest charges. The interesting thing is that in 1985-86 the interest expense was budgeted at \$240 million, double the expense of the previous year. That meant that interest rose from 16 per cent of the total State Energy Com-

mission expenses to 24 per cent of total SEC expenses. Yet, the Government found ways and means of holding down charges in the pre-election period.

This year, the budgeted increase in interest expenses for the SEC is just four per cent, so the total becomes 28 per cent and yet the charges have gone up by 12 per cent and the Government has attempted to blame it on interest charges. Either the Government made a purely political decision last year and suppressed information about it or the Government is now making up excuses for the substantial increase. It is time these matters were examined and it is time the public got a fair deal.

There is some hope that the public will receive honest answers from a report produced by a committee of the Parliament. At least the members of the Public Accounts Committee will have the opportunity to receive and examine the information contained in it. If the Government members of that committee sought to use their political position and numbers to avoid facing up to the realities disclosed, it would be open to a minority of that committee to submit a minority report. If the Government has a genuine justification for the price increases which it has imposed, it will have nothing to fear from this motion. Only if the Government's practice has been and will be to tailor increases with political considerations in mind will it vote against the proposal.

The Public Accounts Committee has operated with a degree of independence. Its deliberations could encompass submissions from other industry bodies, including such diverse groups and individuals as consumers, the Trades and Labor Council, employer groups, the rural sector, and pensioners. At the end of the day the people of Western Australia will know the services provided to them by Government monopolies are provided at the best possible price or the committee will be pointing the way to needed and substantial reforms. When one is dealing with public and protected monopolies, the public is entitled to know about them.

It is particularly important, too, for another reason and that is that the Government has indicated its intention to require public authorities to raise a greater proportion of their capital requirements from the consumers. Now we will increasingly see a situation in which the captive consumers of electricity, water, gas and other public services are to be required to provide the money for capital works.

The Government, perhaps for good financial reasons, has indicated an intention to move from a reliance on borrowings to a reliance on revenue. That means in the years ahead that we will have increases in these essential commodity prices not only because of increasing costs of providing them, but also because of the need to accumulate capital. When we buy our electricity we will not simply be paying the cost of producing the electricity; we will be paying the cost of the power station itself, in advance. Does that not double up the reason and the need for the public to be suitably satisfied and reassured that they are getting a fair deal?

There is no down side to this motion. It will help the Government, whatever its results. If something is found to be wrong in the efficiency and operational system of the SEC or the Water Authority, the Government ought to be pleased to have the opportunity to have it identified and to put it right. If nothing is found to be wrong, the Government's price increases will be seen to be justified by an independent look. I urge the Government not to treat this matter lightly. The Government knows that the motion is put up seriously, and if its proposals are instituted as a practice of this Parliament it will apply as much to our Government as to it. It will be a continuing thing. It will become a part of the normal processes of Parliament in this State. It ought to be approached in that way; it ought to be supported on that basis. It is my pleasure to have moved the motion to achieve that end.

MR WATT (Albany) [7.32 p.m.]: I formally second the motion. I have considerable pleasure in doing so for a number of reasons: Firstly, I think it is a very good motion; secondly, and more importantly, having had some considerable experience with the Public Accounts Committee over a number of years during the time that I have been in Parliament and having spoken publicly and in the Parliament about the role of that committee, I think it is fitting and timely that the Parliament should be given the opportunity of considering a motion to enable the Public Accounts Committee to do certain things which are part of its charter.

I will discuss essentially two elements with respect to the motion. The first is the need for surveillance of prices in the public sector, which is what the motion essentially deals with. The second is the appropriateness of the Public Accounts Committee as the body to carry out that surveillance. I am encouraged by the Government's attitude towards the role of the Public Accounts Committee. When the

Premier made his economic statement recently, he said that the role of the Public Accounts Committee would be upgraded by the appointment of an additional research officer. Last year for the first time a full-time research officer was appointed to the Public Accounts Committee. He is a highly competent officer who came from the Treasury Department and is well-qualified. Properly resourced, the Public Accounts Committee will certainly have the opportunity and the capacity to carry out the task which is being requested of it.

I do not want it to be thought that I am suggesting that the responsibility rests with the research officer. The responsibility rests with the members, but the commitment of the time of members is such that it is almost impossible, if not completely impossible, for them to carry out major tasks as members of the Public Accounts Committee without adequate research staff available to them.

There is no doubt that we are living in difficult economic times. Many influences have a major bearing on our economies at both Federal and State level. Some of those influences emanate from within Australia and some from without. External or international influences such as the world money market have a profound effect on our economy. That can be easily seen by the amount of investment that is being sent offshore these days. People who may have preferred, both from a sense of loyalty and as a matter of convenience, to have kept their investments locally are now making their investments offshore.

Federal Government influences include taxes generally, particularly personal taxes and company taxes; all have an influence on our State economy. We are influenced by such things as foreign exchange rates which are just about at an all-time low. We tend to make most of our comparisons against the United States dollar, but that simplistic approach overlooks the comparison of the United States dollar with some of the other world currencies. When that is taken into account, the situation is much worse than it sometimes appears to be. Again, those factors affect our State economy.

Other factors such as the balance of payments, the terms of trade and inflation all have a bearing on how our finances are conducted. Interest rates are probably one of the factors over which the State Government has least control, although it does have some influence on them. Interest rates have a very significant effect on our economy. All these factors combine to create our current economic difficulties.

The much publicised recently conducted Premiers' Conference also obviously contributes very much to the shape of the State's economic destiny. The State Budget has a significant effect not only on the domestic budgets of ordinary households and families in Western Australia, but also on the budgets of companies and businesses, both large and small.

A couple of paragraphs in the June 1986 edition of the "Western Australian Economic Review" of the Confederation of Western Australian Industry (Inc) makes a fair assessment and puts both sides of the case. In part, it says—

While all states received the 2 per cent real increase in general revenue grants promised at the 1985 Premier's Conference, there were substantial cuts made to the global borrowing limit of the state governments and their statutory authorities. A total of \$1.1 billion was cut from the existing global limit. This comprised a reduction of \$400 million, or 23 per cent, in the states capital works grants and concessional loans and a \$700 million, or 10 per cent, cut in the borrowing programs for public sector statutory authorities. The Government also foreshadowed a further \$100 million cut in specific purpose grants to the states in 1986-87.

That is not a terribly encouraging future for us. It goes on to make a most significant statement, as follows:

While these measures will reduce the public sector borrowing requirement by almost 1 percentage point,—

Which, of course, is the object that we are aiming to achieve—

—the ultimate fiscal benefit of such measures will, to a certain extent, be dependent on whether the states attempt to replace these funds with revenue raised by higher taxes or charges.

That is exactly what they are doing. To continue—

With most states in the early phase of their electoral cycle, the prospects of significant revenue restraint being exercised by the states are not good.

We know that the political reality of the situation is that there is never a good time to raise taxes. However, if there is a time that is better than any other it is in the first year after an election so that by the time the next election

comes around some repair work might have been carried out and the impact of increased taxes on the electorate will have been forgotten.

Mr Pearce: That is known as Court's law.

Mr WATT: I am not sure what name it has been given, but it is a political fact of life which the Minister for Education and everyone else in this House are aware of.

The quote continues —

Thus, there is a prospect that the beneficial effects of a reduced public sector borrowing requirement will be offset, to some extent, by the inflationary impact of higher state government taxes and charges.

That is precisely what appears to be about to happen in this State. The State Government clearly has a responsibility to act in the spirit of the restraint which is being urged not only by the Commonwealth but also by our own Premier. We have no choice but to improve our performance, both nationally and in this State, by achieving economies.

Anyone at all skilled in the economic fields can tell us we must exercise restraint and rein in on some of those costs. We cannot attempt to raise more revenue.

Regardless of all that, the Premier stated his intention of keeping increases in Government charges to no more than the inflation rate.

Mr Laurance: The fuel rate went up by 92 per cent. Is that beyond the inflation rate?

Mr WATT: I think it was 86.7 per cent. I would hate to be accused of exaggerating, but the difference between 92 per cent and 86.7 per cent is relatively insignificant. Many of these increases have been well publicised. There is no doubt they all have an impact on the community. Tax increases have continued. Payroll tax has increased by 11.3 per cent. The liquor tax is up by 51 per cent. Petrol taxes are up 86.7 per cent.

Mr Laurance: Rates are up 92 per cent.

Mr WATT: Hospital bed charges have increased, leading to increased medical insurance costs.

Mr Troy: Be careful with percentages; they are misleading.

Mr WATT: These are the percentages by which taxes have gone up. The Minister can claim they are misleading.

Mr Troy: I just said, be careful yourself; just a word of advice.

Mr WATT: These are the increases announced by the Government. If the Minister wants to argue about them, he must argue with his own Government. Other departmental fees and charges have increased by a variety of percentage points. The Government announced that these measures will increase taxes and charges by \$86 million in a full year, an increase of 11.8 per cent. The increases announced recently and others, including departmental fees and increases in charges, are yet to come. We do not know what they will be.

In introducing this motion the Leader of the Opposition quoted some of the statements of the Premier in the lead-up to the 1986 election. That is only five months or so ago. Under the heading of taxes and charges he said —

Central to this Government's policies is the belief that taxes and charges must be kept to an absolute minimum.

That is rather like motherhood; no one would argue with it. He went on to say —

Accordingly Labor will:

Ensure the economic strategy of the last 2 State Budgets of minimising taxes and charges is maintained. This stringent policy has meant that most State Government taxes and charges have risen by less than the rate of inflation... Launch new initiatives for the further reduction of payroll tax..."

The Leader of the Opposition, of course, quoted the question put to the Premier by *The West Australian* and carried in a newspaper article on 23 January 1986, where he was asked whether he would be able to keep the lid on Government taxes and charges in the first year. He indicated very clearly that that would be part of the policy of the Government.

Mr Pearce: Were you not once the Chairman of the Public Accounts Committee?

Mr WATT: Yes, I was.

Mr Pearce: Did you ever argue for the Public Accounts Committee to survey the charges the Liberal Government was putting up?

Mr WATT: Yes, I did argue with the leader at the time about the role of the Public Accounts Committee. I have to say, in all frankness, that I have already complimented the Government on upgrading the role of the Public Accounts Committee by appointing the necessary research staff. A number of people in the Parliament at one time or another have

been on the Public Accounts Committee. In those days research staff were required. The Government, of which I was a member, was not prepared to provide that staff, and the committee was something of a toothless tiger without them. I believe the Public Accounts Committee needed this staff. That is why I support what the Government is doing and I believe we are offering it a challenge to do something constructive which will be universally accepted in the community.

Mr Pearce: This is a novel proposition, and it is not one the Government will reject out of hand, because there is merit in the proposal, although there are probably problems as well. You are simply saying there is a complaint against Government taxes and charges.

Mr WATT: I did say I was going to speak about two things, the question of taxes and charges generally which we should refer to the Public Accounts Committee, and the appropriateness of that Public Accounts Committee as a vehicle for that surveillance role. I think that is a legitimate thing to do.

Mr Pearce: The Public Accounts Committee looked at this and said —

Mr WATT: I would have thought the Minister would accept this as a reasonable thing.

Mr Pearce: It is in our method of debating. You try to cover the key time on your key argument, but you are spending a lot of time on peripheral issues.

Mr WATT: I do not think this is peripheral. I would prefer to disregard the interjections in case I run out of the precious time the Minister is talking about.

Mr Pearce: I thought I was helping you along.

Mr WATT: The Minister's kind of help I can do without! Any reasonable person will accept that increases are sometimes necessary. It is simply the areas of those increases which need to be questioned and examined. The Government estimates inflation at between 6½ and seven per cent this year, yet most of the increases I have quoted are in excess of those figures.

As has been said, both the Premier and the Prime Minister have called for surveillance of prices in the private sector and I have no objection to that, except that Australia already has a considerable amount of surveillance of prices in the private sector. There are several independent organisations. The Australian Consumers Association publishes its findings from time to time in its magazine *Choice*. The

member for Pilbara has always had an interest in price surveillance in her electorate, and so have other members of the Parliament. I think there is somebody in the south-west—I am not sure about that—and also the Federal member for Canning who talk about price surveillance in the private sector.

I do not argue with the Premier and the Prime Minister in their call for price surveillance in the private sector. I think the public is entitled to see a bit more of price surveillance from any independent organisation in the public sector.

I am reminded of the old song, "Who takes care of the caretaker's daughter while the caretaker is busy taking care?"

The prices charged by public monopolies obviously are important elements in the economy and really there is no check against those prices. Even if we as a community feel they are excessive, there is absolutely nothing we can do. The prices that the public think of mostly are the Federal ones such as telephone and postal charges. Both of those items are under the control of monopolies and if prices go up, nobody can do a thing about it.

However, at State level everyone is affected by the items referred to in the motion before the House—electricity, gas, and water charges. Everyone may not be affected by each one of them, but everyone is affected by one or other of them. As the Leader of the House mentioned a few moments ago, recently there has been a wage increase of 2.3 per cent; but we have been told that is to be the only increase for the year, so people in the community are really only receiving an extra income of about 2.3 per cent and yet charges are going up by a much higher rate. That is not fair or reasonable.

Business owners, who likewise are affected by the increases which are embodied in this motion, are also looking down the barrel of a 3 per cent impost on them for superannuation, at a time when it cannot be afforded. In many cases they are also to be hit by a payroll tax increase of 11.3 per cent. We have already mentioned the increase in the petrol tax, and while it would be silly to suggest that petrol is going up by 86 per cent, the fact is that every business is affected by petrol costs, whether for the vehicles that it runs itself or the goods and services provided to it by delivery.

Now we come to the question: Why the Public Accounts Committee? The Public Accounts Committee is often referred to as a public watchdog, and when it is referred to in that way

it is generally assumed that it will watch over the expenditure side of the Government. Of course, it is right and proper that it should; but we have probably tended to overlook in the past that it ought also to be involved in a watchdog role over Government revenue, because it very much impacts on the lives of each one of us.

The Public Accounts Committee operates under a set of Standing Orders, and Standing Order No. 412 reads—

Upon motion in the usual manner made by any Member of the House any matter concerning the accounts of the Consolidated Revenue Fund and the General Loan Fund may be referred to the Committee. . .

I think that is the appropriate thing for us to be doing in this case.

The situation was well covered by the Leader of the Opposition in introducing this motion. If the Government has nothing to hide, it really does not need to worry about the effects of this motion. We ought to be embarking upon a new basis whereby the Public Accounts Committee is to take a more independent role in these things. I am absolutely certain, having worked on the Public Accounts Committee for a number of years, that any and all of the members who are on it, both now and in the future, will be quite willing and able to do that. One of the good things about working in a committee system is that sometimes we have to bury party differences and work together for the good of the people, which is of course what we are elected to do. If there is nothing to hide, then nothing but good can come of it; but if there is something to hide, then perhaps that ought to be exposed; and that would be the role of the Public Accounts Committee.

I am encouraged by the Leader of the House's indication earlier today. While not saying the Government would accept the motion, he at least said the Government was prepared to consider it; and I hope there is not too much difference between those two statements. At least I am encouraged by that and hope that in the fullness of time the Government realises that this will be seen by the community as something worthwhile and in their interests. I support the motion.

Debate adjourned, on motion by Mr Pearce (Leader of the House).

TRANSPORT CO-ORDINATION AMENDMENT BILL (No. 3)

Second Reading

Debate resumed from 2 July.

MR TROY (Mundaring—Minister for Transport) [7.56 p.m.]: My response to the Bill is launched under a feeling of some intrigue because there are circumstances about it which I find hard to understand.

In presenting this Bill, the member for Gascoyne could be construed to be attempting to pursue one of three tactics. In fact, he could be seen to be taking the business of the Government from the floor of the House through the use of private members' time on an issue which is already before the Chamber; and I refer to the Transport Co-ordination Amendment Bill (No. 2). There is no question that all the arguments that will be raised here could be carried out in the one debating period when the debate on the amendment Bill (No. 2) comes before the House.

The second tactic perhaps relates to the member for Gascoyne's lack of confidence in his own arguments and in his ability effectively to debate amendment Bill (No. 2). I am sure all of those who have known the member for Gascoyne for any time would set that aside very quickly, because that is one thing he does not lack.

The third alternative is that the member for Gascoyne is simply up to his normal style of imaginary and public attention-gathering efforts on an issue which I do not believe he has researched at all well. I think I may clearly say to the House that that is the case. This tendency the member has to ride over issues as over the top of a wave and to make certain statements about them without really considering the facts is something to which we are all quite accustomed, and which reflects his own personal objectives in these matters. Most of all, it shows that there has been little consideration of the people he represents and, in the broader perspective, as the shadow spokesman for transport in this State.

I am of the opinion that the latter tactic may be the one the member for Gascoyne had in mind. In analysing his second reading speech, which I did very closely, I found that despite its length and verbiage, few real points emerged from it. When I examined each of those points there was little substance to the arguments advanced. I will elaborate further on that in a moment.

First I will highlight an example on which the member for Gascoyne made great play. We have referred to this tonight, when quoting percentages. The member referred to an increase of 92 per cent. I do not think there are many people, in this Chamber or outside of it, who really latch onto figures like that. One immediately examines what that percentage figure is being applied to. One can ask: Ninety-two per cent of what? That then leads to the question: What is that component in the total cost structure for motorists in this State? Of course, that leads to subsequent questions, such as: How will the increases impact on this State, and how will they be applied in this State?

The member for Gascoyne, in his usual inimitable style, has again shown a lack of real effort in addressing these details.

I find that I am constrained to some extent in this debate, because this debate relates to amendment Bill (No. 3), and we all know full well a very wide-ranging number of issues should be included in the debate on amendment Bill (No. 2). It does place some constraints on me in the area in which I wish to respond tonight.

I am quite prepared at this stage to bring into account the Government's view of it and in particular the relationship to the CPI indexing. It is very evident that the tactics employed by the member for Gascoyne in introducing a separate Bill which is in total conflict with the Government's intention with amendment Bill No. 2, clearly establishes from the outset the Government's position. We are totally opposed to the Bill and we will respond to it accordingly.

I move on now to the question of CPI links which dominate the amendment Bill No. 3. The approach taken with this Bill is based solely on the false premise that sources of road funding through fuel levies should be CPI-linked. I will develop that argument a little further.

How the member for Gascoyne can say that the CPI has any relationship with the real road cost index simply staggers me. Obviously he has no experience whatever in this area. In fact, it is a coincidence that we find a relationship between the CPI and the road cost index in any one year. That is not surprising when we consider the formation of both those indices. For example, in the CPI we look at components such as food, transport, clothing, shoes, and even consumer white goods—and they are quite a significant element of the CPI along

with about 42 other factors that can be brought into account in that index.

On the question of the index of road costs, we must consider plant costs, which can be broken down further to replacement and maintenance costs as well as the parts component. We can also consider labour and material costs, such as aggregate, bitumen and other components that go into road building.

Clearly there is a complete lack of correlation between the CPI and the road construction index. I wonder whether the member for Gascoyne is aware of how many occasions there has been any similarity between the two over the last 10 years. Unfortunately I am not able to produce a table that covers that full period but I am hopeful of producing a table that will give members some indication of my argument.

I recall wrestling with this problem some years ago as a member of a shire works committee, and I recall the figures quite vividly. At that stage the CPI was in the order of 12 per cent. Against that our road construction index was 28 per cent and it had components such as aggregate, of 42 per cent. I point out that this happened to coincide with the year the fuel prices took off. Obviously the company supplying the aggregate saw a wonderful opportunity to move in at that time. Our road construction index also included a labour component of nine per cent, a bitumen products component of 32 per cent, and a limestone component of 24 per cent. The average of that index for the shire was 28 per cent against the CPI of 12 per cent.

That example clearly illustrates that a move to lock down the fuel levy adjustments to a maximum of the CPI is an inappropriate and ill-considered move, bearing in mind the present situation in this State. I remind members that to place a reconstruction of that form on the fuel levy adjustments in the forthcoming year would have an enormous impact on our road programme. It would be a totally inappropriate action to take.

We must bear in mind the circumstances facing this State. We are totally dependent on an effective transport system. One of the huge components and crucial elements of that is the road mode. Madam Acting Speaker (Mrs Henderson), with your permission I would like to have incorporated in *Hansard* a table headed "Cost Indices" from 1981-82 to 1986-87. They cover the Main Roads Department index for road construction, the consumer price index and also the national index from the Bureau of

Transport Economics. The Main Roads Department index is based on movements in costs related to plant, labour, materials, and fuel. The BTE index includes the items used in the MRD index but also includes factors such as taxes and depreciation.

The following material was incorporated by leave of the House—

COST INDICES

Year	Main Roads Department Index	% Increases Consumer Price Index	Bureau of Transport Economics Index
1980/81	14.4	8.8	15.5
1981/82	11.8	11.2	12.8
1982/83	11.7	10.2	12.6
1983/84	5.6	7.7	6.1
1984/85	6.3	5.9	6.2
1985/86	(est) 9.1	(est) 7.5	N/A
1986/87	(est) 8.2	(est) 6.7	N/A

Debate Resumed

Mr TROY: I thank the House. The evidence of the CPI is clearly that it is an inappropriate consideration, but that rejection of the CPI is not isolated in addressing the amendment Bill No. 3. Other related issues are involved.

One can look at the source of funds, and it is appropriate that we look back over the last five years and consider some of the figures of road funding that have been provided in this State and the respective sources of that funding. For example, in the last five years a total of \$1 180 million has been expended on WA roads. The source of those funds has been \$643 million from the Commonwealth and \$537 million from the State.

When we examine that \$537 million from the State in greater detail, we find that the vehicle licence fees contributed \$277 million, the fuel franchise levy contributed \$194.6 million and loans contributed \$18.5 million. Other components include such things as mining companies and councils making contributions towards a total of \$46.5 million, of which \$18.3 million came from those other bodies I mentioned. That has been the programme over the last five years.

Let me now look forward to anticipated programmes over the next five years and also take into account some of the emerging problems. By comparison with that all-up figure of \$1 180 million, our programme for the next five years will involve a total of \$1 730 million, a very significant increase. That is based on the assumption that WA will receive \$900 million from the Commonwealth. I underline the point that that is an assumption based on the fact that the Australian bicentennial roads programme will be replaced after 31 December

1988 with another programme. That is not guaranteed, and I want members to appreciate that.

However, based on that assumption of \$900 million being provided by the Commonwealth, we would be looking at a WA component of \$830 million. I want members to be very clear about the total State funds: If there is a CPI increase over the next five years towards that level of \$830 million, we will still face a significant shortfall. In other words, we are admitting right from the outset that we must do something better than the CPI to achieve the programme which is currently a programme of minimum needs within this State.

Mr Lewis: You are foreshadowing increases in your fuel franchise levy in excess of the CPI in the future.

Mr TROY: That could well be the case. We have a number of options to consider in addressing that, but the member should be patient so that I can give him an indication of what it is all about.

We need to be looking at the options if we do not receive that \$900 million from the Commonwealth, and that is the situation we have taken up most vigorously with the Federal Minister over the past few months. We have put our case very strongly. But in a moment I can reveal certain studies done on transport economics and road funding generally which really cannot leave us with a secure position.

We must be mindful of the fact that there are competing interests on the eastern seaboard vying for those road funds, and we must withstand those. Perhaps the most important thing we need to consider in WA is the fact that we now have quite a significant existing road network.

It needs to be maintained, and we are not doing it at the correct level. For example, the Main Roads Department has assessed that approximately 2 500 kilometres of roadway will need to be reconstructed over the next 10 years, and that calls for a rebuilding programme of 250 kilometres per year. Currently we are undertaking that programme at a level of 80 kilometres per year; in other words, we are 170 kilometres per year in shortfall.

Members can appreciate that we already have a capital investment in a significant road network in this State, and unless we make some improvements to that network we have every indication that it will deteriorate. Apart from the Main Roads Department identifying that problem area, studies have been undertaken,

and I am pleased to say that they started off in the Mundaring and Swan Shires. A few years ago I was involved with those studies in the Mundaring Shire to identify local government road needs. Both studies of the respective local authorities showed an extensive shortfall. Now 30 other local authorities in this State are pursuing a similar programme, and on first indications they are finding exactly the same results as the Swan and Mundaring Shire Councils did. The programme they have undertaken is appropriate. It certainly sets down a very objective method for determining road needs rather than using an historical base and subjective elements, which have always been part and parcel of road funding programmes in this State. So I am very pleased to see local authorities taking this matter on board in this manner.

I also want to put on record the changes in the combined bicentennial and ALTP funding that will be forthcoming to Western Australia because this factor also bears very strongly on the position before us tonight. For example, funding for national highways: Western Australia in 1986-87 will receive a 7.26 per cent increase. Against that, urban arterial road funding will be reduced by 1.1 per cent. Rural arterial road funding will also be reduced by 0.44 per cent, which is certainly a disappointment to the Government. The local roads programme will have a positive growth factor, but bear in mind that against the road index or the CPI, if one wants to use the lesser component, local roads will increase by only 2.67 per cent on last year's figures. When all those figures are combined, the real picture is clear and the increase is a mere 3.28 per cent. That clearly illustrates one of the problems we will face in the years ahead.

One can ask what is the history of Western Australia's declining share of Commonwealth road funds. There is a bit of history associated with this matter. One needs to go back to 1969 when Western Australia received in the order of 18 per cent of Commonwealth road funds and there was a period when it peaked at 19.6 per cent. In other words, Western Australia enjoyed almost one-fifth of the total Commonwealth road funds available. With the advent of the first comprehensive Commonwealth report on roads produced in 1968-69, there was a gradual decline when it slipped from 18 per cent in 1969 to 12.7 per cent in 1977. With the Northern Territory's entry into the road funding formula, of course it fell away even

further and we are currently at the level of 12.3 per cent.

In fairness to both the previous Government and the current Government, we have been able to fight off any attempts to decrease the figure and retain it. But members should be clearly aware that over the past 15 years nearly every road funding report produced, whether from the now defunct Commonwealth Bureau of Roads, the existing Commonwealth Bureau of Transport Economics, or NAASRA, has suggested that Western Australia's share of road funding should be further reduced. In fact, based on what I regard as a rather simplistic formula they suggest a reduction to approximately nine per cent. In other words, I think members will appreciate that a decrease from 12.3 per cent to 9 per cent would have a dramatic effect on this State.

They are the facts. We object to the basis of those studies and consider that while cost-benefit analysis techniques are used in each study from which certain conclusions can be drawn about the comparative needs of the States and Territories, Western Australia is quite unfairly treated in that formula. Western Australia fares quite badly in this type of analysis because we do not have the level of congestion that Eastern States road networks have. That is a simple fact. We have much longer roads and as a result our traffic needs do not show up in studies with the same impact as do those of the Eastern States. We have made some very strong moves in regard to that matter.

I now bring members to more recent times. In 1985 the ALTP Act was introduced by the Commonwealth. It made allocations for arterial and local roads but it fixed them for two years, with the Federal Minister having power to vary the allocations for national highways. This was shown in the figures I gave to the House earlier. After that initial two-year period the Federal Minister has the power to vary the allocations to States for arterial and local roads by up to 10 per cent in each year of the three remaining years of the programme, and that has an enormous impact. In relation to the Federal Minister's being able to exercise his discretionary powers, it is pleasing to acknowledge the existence of an independent committee of inquiry into the distribution of Federal road grants, and we have made very strong submissions to that inquiry.

Western Australia has an excellent case when the size of the State is considered together with access to remote communities, the export earnings of the State, the rate of population in-

creases, especially in the metropolitan area, the social aspects that bear so heavily on this State, and the need to provide good roads for local communities, both country and remote. Those points clearly indicate we have a strong case. We have represented that strong case. The effort of employees of the Main Roads Department and the Department of Transport has been excellent; nevertheless, there is a strong prospect that we may be denied a level of Commonwealth funds in the future.

Because of the need to place constraints on Government spending, the Federal Government has already highlighted some reductions in spending, and despite certain indications that it would index those increases from one year to the next, it has already made moves to cut back spending below that promised level. That illustrates very clearly the very serious position we in Western Australia are in.

I now move to another element of the member for Gascoyne's second reading speech, the 92 per cent increase. It is appropriate to note that in fact the 92 per cent increase that he keeps concentrating on represents an increase of 2c a litre which, in the overall price of fuel, is about four per cent. In the total context of living expenses—

Mr Cowan: Can you repeat that?

Mr TROY: Yes. The 2c a litre increase represents about four per cent in the overall price of fuel.

Mr Laurance: In the new excise report it will be about 13 per cent.

Mr TROY: When it is taken in the proper context, that 92 per cent simply does not hold water any more.

Mr Laurance: What about your suggestion to bring petrol prices down?

Mr TROY: It is a four per cent increase only and, furthermore there will be a persistence with the genuine impact off-road being guaranteed for both petrol and diesel. Relief on farm will be maintained. Certain adjustments are forthcoming.

The other point that came out of it was the question of fairness and decency. I think the member may be looking at some of the fundamental taxation principles that need to be abided by in any revenue raising consideration. Perhaps he has put them in the wrong context. Those words, of course, relate to the concept of a transport trust fund. Quite clearly the setting up of that fund as against the road maintenance trust fund is consistent with a broader and

more equitable view of transport overall. It recognises that transport should be seen as a whole service, and not comprising different parts.

Let us touch on some of the issues that are dear to some members' hearts. Westrail buses and country train services run at a loss. We admit that. Every effort is being made to cut back that loss. One has to bear in mind that they provide a necessary alternative to the private car in country areas. I continually receive representations on both issues from various centres seeking extensions of such service.

Mr Cowan: Society should pay that loss, not the motorist.

Mr TROY: I will elaborate on that basis when I speak on the amendment Bill No. 2. Those services relieve road traffic and provide transport for country residents who do not have access to motorcars. Similarly, the Westrail country freight service has improved enormously and I do not think anyone would disagree with that. We are proud, as a Government, to have been involved in that improvement. I think great credit is due to my predecessor in achieving a significant improvement in that service. The situation with that service is that the Government is on a path of deregulation. The programme has been well considered and, I think, well accepted already by people in country areas.

In the city, the Metropolitan Transport Trust buses and trains greatly relieve the congestion that would otherwise exist on Perth's road network. I think it is appropriate that that balancing which I spoke of earlier between having additional lanes to cater for peak-hour traffic for 15 hours a week or dedicated bus lanes is a reality. I do not think anyone can deny that there is an appropriate way to go. Can members opposite imagine the reaction from local government if freight currently transported on rail were put on the local road system. I do not have to go into that now. The message is that it is simply not an option.

It is appropriate to put on record that there is a level of subsidy for a number of services. The MTT deficit in 1984-85 was \$35.3 million which includes expenditure over all sources of income including the Government subsidy. Members can rightfully ask what the Government repayment was for those social services. It amounted to \$27.8 million. If the two figures are totalled, they amount to \$63.1 million. Against that we have Westrail's country buses. In 1984-85 their deficit totalled \$2.2 million. That deficit covered a range of services of

which some were profitable and some were not so profitable. There was a degree of cross-subsidy in those two extremes.

Mr Cowan: You don't have any compulsion about the wheat industry in relation to that.

Mr TROY: The wheat industry has done well.

A further item that needs to be put on record is the Westrail passenger services, the *Australind* and the *Prospector*. The 1984-85 deficit totalled \$2.3 million. I wonder how many members, including the member for Merredin, would suggest that the *Prospector* service to Merredin should be terminated.

Mr Cowan: No-one is suggesting it should. Are you?

Mr TROY: No, not for one moment.

In addition to those forms of transport, we have to consider air transport. I do not have figures with me but I assure members that many applications cross my desk for subsidies for regular air passenger transport.

Mr Lewis: What has that to do with road maintenance?

Mr TROY: It is all interrelated. If the member cannot see that, I will have to take more time to explain it to him. I am happy to make my time available. There is a link between all forms of transport.

Mr Lewis: Not at all.

Mr TROY: I am sorry if the member cannot see it, but there is. All systems of transport cannot operate in isolation as they have done for many years. There is a need for coordination and our amendment Bill No. 2. will clearly illustrate that need. However, I will not be distracted from talking on amendment Bill No. 3. which is related to the CPI.

I remind members that the provisions relating to diesel fuel for off-road use will be retained. There is no provision to recover the motor spirit subsidy scheme and I make it clear that we have taken initiatives for making the necessary adjustments to that subsidy to offset the 2c included in the new scheme. I am sure that will be welcomed.

Comparisons between country and metropolitan areas are often made in this place. In 1985-86 the motor spirit levy amounted to \$32.5 million, while the diesel fuel levy raised \$13.5 million, a total of \$46 million. I suggest a note of caution in considering the source of that funding as it relates to country versus city. We do not have records from the oil companies which are the points of payment, but it has

been calculated by my department that, for motor spirit, the revenue is made up of 40 per cent from country areas and 60 per cent from metropolitan areas. For dieseline, those proportions are almost reversed with over 63 per cent from country areas and 37 per cent from city areas.

Mr Cowan: Sixty per cent of the population pays 44 per cent of the taxes.

Mr TROY: Does the member want me to mention the length of roads in country areas? One cannot argue on an isolated basis. As the leader of a party in this House, he has to broaden his argument. He will not lose face with his electorate by being fair and reasonable. I do not believe we will lose face in what we are doing when the people finally see that they are the beneficiaries of the programme.

Mr MacKinnon: The farmer's friend.

Mr TROY: Farmers certainly do not have any friends in the member's party.

There is a need in any taxation reform to have appropriate basic principles of fairness and equity, both vertically and horizontally. The question of administration and anticipation of those things should also be considered. I think we can clearly illustrate that those elements have been carefully considered in this matter.

In terms of transport, the concept of pay-as-you-use is a very strong one. One can argue whether the general taxpayers should support the transport costs. It is the counter argument to the case raised earlier by the member for Merredin to some of those elements on transport I mentioned. There is a need to consider very carefully the collection for this level of revenue and we need to look carefully at whether and where that is to be extended.

In my bag I have the Main Roads Department's draft programme for 1986-87. I hope that in the next few weeks I can make a clear announcement to local government and other beneficiaries to show where we are going in those terms. I have every confidence that they will not be disappointed, but I am not in a position to convey that information tonight; and members opposite will have to accept that.

I point out that this argument on the pay-as-you-use concept and the revenue collection versus the expenditure has now been locked in at the Transport Ministers' Conference and is the principle adhered to there, where a component of the Federal excise is locked down with some form of security to road expenditure. That has been hard to achieve, and Federal Govern-

ments of all colours have been hesitant about giving up their flexibility in that area. It is in place now and it is some reassurance to transport and road funding generally.

Very clearly the Bill introduced by the member for Gascoyne, based on a CPI linkage to further extension of the fuel levy increase, simply fails to recognise a number of factors bearing down on the State of Western Australia in that area of expenditure. There is no relationship between the CPI and road construction indexes; Western Australia clearly has a dependence on a substantial road network. Historical, and I think, ongoing evidence will show that this Government will recognise that dependence.

There have been significant indications of change in Federal policy with regard to road financing.

I am left with one point to address: Where is all this finally expended? As I indicated, the announcements will be made in time, and not too many weeks ahead. I have confidence that the people in this State will realise that the State Government has made every effort to recognise the factors involved. In recognition of these factors the Government simply cannot entertain the Transport Co-ordination Amendment Bill (No. 3).

MR CRANE (Moore) [8.33 p.m.]: I give my support to the Bill before the House. I admit that the Minister has given a fairly broad exposé of the revenue which comes from the States and I agree with him on many of his points concerning Western Australia and its need for preferential treatment. However, the fact remains that the Bill before the House is a little different from what we have been talking about. It reminds me of a person who showed me how to make a sponge cake when I wanted to make a fruit cake. It did not add up.

I refer to some of the comments made by the member for Gascoyne when he made his second reading speech. He said that the Bill seeks to limit the increase in fuel franchise levy in any particular year, and it relates that increase to the movement in the Consumer Price Index. That is what we are talking about and I believe the Minister has completely missed the point.

He tried to explain that, in fact, there had not been a 92 per cent increase in fuel excise, but that is not the case. The fuel excise increased from 2.17c a litre to 4.17c a litre, and if my arithmetic is correct that is a 92 per cent increase. We are coupling with that dramatic increase the fact that not only the Premier of

this State but also the Prime Minister have spoken so much about containing costs within the inflation rate. I am not one who likes to accept inflation very much but the fact remains that it exists. If we refer to the present rate of inflation of seven per cent and if, in fact, we had increased the franchise by seven per cent, as was pointed out by the member for Gascoyne, the increase would have been \$3 million instead of \$39 million. There is a tremendous difference between those two figures; and the motorists of this State will have to pay the bill. They have to pay that increase on top of the other costs with which they have to contend. Those costs are increasing at an alarming rate and, therefore, I believe this legislation is not only appropriate but also it is most timely.

I can assure members of the Government that if the Government were to introduce a Bill such as this we would most certainly support it. It would have the wholehearted support of members on this side and also the blessing of all motorists in Western Australia. I include every person who is affected in one way or another by the dramatic increase in the cost of fuel, particularly those people who live in the remote areas.

The Minister talked about the disadvantages of Western Australia, and I agree with his comments. There is a big difference between the distance from Melbourne up the eastern coast of Australia to Brisbane, and the distance from Albany up the western coast to Wyndham. Yet in Western Australia one State has to foot the cost of the roads covering that distance. On the other hand, Victoria, New South Wales, and Queensland meet the costs on the eastern coast. Each Premier of those States goes to the Premiers' Conference and each is given a little slice of the cake. I agree with the Minister that there is a strong case for us to argue with the Prime Minister and our friends in Canberra that we should receive a greater slice of the cake such as we used to enjoy. I say that to bring this argument back into perspective because I believe it was running astray.

It has been said—I will not repeat the figures given by the member for Gascoyne—that the 92 per cent increase is, in fact, a very significant increase and if any person thinks that it is not so I suggest he speak to any motorist who has filled his tank since the increase became effective. I am sure that any motorist would say it has been a dramatic increase in addition to the other increases. The important and operative point is that the Premier kept say-

ing—not only have we read his economic statement the other day but also we have read these comments in the newspaper—that we must contain costs and not allow them to go above the rate of inflation. That is fair enough and I believe we all support the Premier very strongly in that matter. However, having made that statement, asked private industry and all other industries to contain their costs, and asked the public to show great restraint in their expenditure, the Government has now turned around and increased excise by 92 per cent. That is a little more than we can be expected to bear.

It is very hard to swallow, and we just will not swallow it. There have been arguments about the cost of maintaining our roads. We know that they will deteriorate, but at times such as those we are facing now, we have to accept the fact that we must cut down our expenditure to a certain extent, and go a little easier. Perhaps some of the bitumen roads in the country which are ripped up and renewed when they have quite good bitumen on them could be left for another year or two. I believe that is quite reasonable, and I have even made the comment when travelling through the country areas—and I do travel through the country areas a lot—that it seems rather strange that we have to truncate a certain corner and cut off a perfectly good and well-preserved piece of bitumen road just because it was not done when the road alignment was first made.

This may be looked upon as a criticism of the Main Roads Department, but perhaps in some areas we have spent a little more money unnecessarily when in difficult times we could have done without it. My own personal experiences are such that I have always had to be careful. I have had to look twice at a two-bob piece when I took it out of my pocket, and I have turned it over a couple of times, and three times out of four I have had to put it back in my pocket because I did not feel I could afford to spend it.

Now that we are going through these difficult times, it is an opportunity for restraint. Maybe we will not get bitumen put on our roads as quickly as we would like, but it is important that we cut our suit to fit the cloth we have, and these are difficult times. Australia is so far behind the eight-ball that we are virtually bankrupt and it is time we did pay heed to legislation such as this before the House, which would not only pave the way to our being very careful in any increases we may make, but also

be a lesson for others likewise to take action and curb some of their expenditures. As I have said before, and as many people have said, we are in a very serious economic plight. We cannot continue to borrow money to pay for things we cannot afford to have.

This legislation will set out a formula by which the excise can only rise very minutely, according to the Consumer Price Index. That is reasonable. If other costs rose accordingly, there would not be always the great claim for higher wages. Once the price of fuel goes up and the poor old motorist goes to the bowser to fill up his car, the next thing we know he will be clamouring for an increase in his salary because he does not have the money to pay for the petrol. One thing leads to another.

I represent rural people in the main. When I say "in the main", my electorate is fairly well divided between the outer metropolitan area and the rural industry. The people in the rural industry who are further distanced from the metropolitan area are the ones who do need special consideration. It seems that with this Government we have to take it through the kindergarten procedure of one times two is two, two times two is four, three times two is six, and so on; and eventually we hope they will get the message. So I will take the Government through the figures again.

The effect of the recently-announced five per cent increase in the fuel franchise levy is such that it will cost the Western Australian rural industry \$3 million. That is \$3 million to an industry which is staggering on its knees at the moment, despite the fact that some people say it is the farmers' own fault because they should not have bought new machinery or should have been a little more careful in other ways. Perhaps some people could have been a little more careful, but generally speaking that is not the rule. The fact remains that the rural industry is in a very serious situation simply because of rising costs and falling returns. It is a mathematical equation, and one would have to be a dunce not to understand that.

The increase in the fuel franchise levy will mean an impost of a further \$3 million. Farmers use 118 million litres of petrol a year, and 85 per cent of that is used in an on-road situation. There is no levy exemption attached to that. In other words, one million litres of that fuel is used in an on-road capacity by the farmers. We were talking about an increase of 2c, and I remind the Minister that this 2c represents 92 per cent. That increase of 92 per cent on the levy will increase farmers' costs by \$2

million. I am sure my colleagues on my left will support me when I speak about these rural people, and the people who support rural people—the rural business people and those other people who are working in the rural industry or in the rural towns. They do not have buses to use, and I would like to take the Minister up on a point he made a little while ago. He said the Government had adopted the policy of “the user pays”.

I will have a guess at this one. If the user does pay, and I know he does not, I would suggest that if I took a train to Fremantle I would probably have to pay \$100 for my ticket. Somewhere along the line there are some users who do not pay, but I can assure the Minister that in the country there are many users who do pay, and they are being asked to pay more.

The average farmer pays \$8 588 per annum for fuel. The increase in the fuel levy will add \$146 to his bill. This is the same person who is going through some very difficult times at the moment, and this impost will in many instances put him out of business.

The grain grower has higher costs than the average farmer, and his average fuel bill is \$12 780 a year. The increase in the fuel levy will add a further \$215 per annum to that bill of \$12 780. Mr Speaker, \$12 780 is more than many people earn in a year, yet that is the average grain growers' fuel bill. There is therefore a very strong argument for supporting the legislation put forward by the member for Gascoyne; and I am sure there are others here who would also like to support it.

I point out to the Minister that while I do not agree with many of the arguments he put forward relating to the need for Western Australia to be given further consideration by the Federal Government in its road-making needs, I do not disagree with him altogether, and I thought he put it quite well—I will give him credit for that. However, he was not talking about the Bill before the House and the beneficial effect it would have, not only on Western Australia, both in the metropolitan area and in country areas, but also all the other side benefits which would come from the fact that transport costs were reduced.

I have much pleasure in strongly supporting the legislation before the House. If the Government does not want people to think, “Well, we can't let the Opposition put forward a Bill which we should have put forward ourselves. It will not look right”, I will be perfectly happy if the Government puts it up next week and I

promise the Government that I will fully support it. I believe I speak on behalf of all of those on this side of the House. If the Government would like to take the kudos for having done it, the operative words in this case are, “Do it”. The Government has an opportunity to do it. The member for Gascoyne has moved a very good Bill when one considers the difficulties we are facing at this time. I believe it is appropriate that the member for Gascoyne should have moved this Bill and I believe it is even more appropriate that this Parliament should support it and pass it.

MR SPRIGGS (Darling Range) [8.51 p.m.]: I rise to support briefly the Bill introduced by the member for Gascoyne. In doing so I believe that nothing has been proposed or passed in this Parliament which shows more clearly the hypocrisy of the Burke Government since it took control of this House in 1983. In March of that year we had the charade of the member for Morley-Swan, the Minister at the time, calling this Government together for the express purpose of controlling fuel prices. There is no doubt that the Government now has control of fuel prices.

An Opposition member: What did it cost to bring Parliament back?

Mr SPRIGGS: It probably cost around \$30 000. Fuel at the time was between 39c and 42c a litre, yet what has happened since? Fuel has almost doubled in price. Not only have the actions taken by the Government proved to be as hypocritical as the levy that has been put on fuel, but also it was so hypocritical that it is almost inexplicable.

The member for Morley-Swan took great pride in the fact that he was reducing the price of fuel, yet within 12 months the price of fuel had jumped to around 48c to 56c a litre.

Mr Laurance: He resigned because he couldn't stand the hypocrisy of the Government!

Mr SPRIGGS: I acknowledge that he has realised the hypocrisy of the Government. He said that in a letter in respect of one particular Bill, but there is no doubt that that matter alone did not make him resign. Over the years, however, he realised just what this Government was doing to the people of this State.

Mr Court: Before that election they promised the service station proprietors a bigger margin.

Mr SPRIGGS: They were the guardian angels of the service station proprietors. However, since then the service station proprietors have almost gone out of existence. Effectively,

there has been an increase of 92 per cent since 1979. Many members on the other side of the House—although not the Minister of Transport who is proposing the legislation at the present time; he was not a member at that time—argued like hell in 1979 about the Government of the day putting up the fuel tax by 0.9c a litre. From memory, I think it was 0.9c on petrol and 3.95c on diesel. It was a difficult tax to collect and it was designed to counter the other tax—the road maintenance tax—that was impossible to police and collect.

Yet now we see the fuel tax increased to 4.17 per cent and the Minister has made a speech about the overall picture of transport for this State. What he is saying in fact is that the original fuel levy which was imposed was lined up for the Main Roads Department for road maintenance. The fuel levy today is a tax collection, and it will be used to finance the airy-fairy ideas of this Government. The Government will pour money into anything that it thinks is attractive to the electors of this State to keep it in office, and the motorists will have to pay a tax that is unfair and unnecessary.

Mr Crane: The Government certainly has had some airy-fairy schemes!

Mr SPRIGGS: The Government certainly has—it opened up the Perth-Fremantle railway and when I travelled on the train one day it had nine passengers. However, one could look at other schemes—the “Bunbury 2000” scheme was one. What has the Government done in Bunbury? It built a building down there, but the BLF will not let it open it. If the Government can open it, there will be no people to put in it.

The SPEAKER: Order! I have allowed a little leeway because the member's comments have been so extraordinarily interesting, but I think the time has probably come for the balance of his comments to be related to the matter before the House.

Mr SPRIGGS: I accept your direction, Mr Speaker. I used that as an example to point out just where the Government may spend the money it is raising as a result of the imposition of this tax on the motorists of this State.

In 1980 the levy on petrol was 0.9 per cent. When this Government took office in 1983 it was 1.85 per cent. The increase to 4.17 per cent is effectively a 92 per cent increase, which is what the member for Gascoyne is talking about. The cost of the petrol tax has probably trebled since 1979. Now members have discovered that the money will be diverted to

anything which the Minister decides is connected with transport.

This is an unfair tax. It is no longer just a road maintenance tax, which was its original purpose. It is a measure the Government has jumped on, and I think the Government has been fairly clever because there has been a decrease in the petrol price as a result of the drop in the oil price. The Government has leapt on this because it believes the public will not take exception to it.

Mr Troy: That is an interesting point.

Mr Court: Do you agree with it?

Mr SPRIGGS: The Government has to agree with it because it is the truth. The Government has taken this action because it feels the time is right. Petrol prices have come down marginally and the Government feels it can slip into the public and rip them off for a few more bob in order to finance its airy-fairy ideas. As soon as the price of petrol rises, this Government will blame the Federal Labor Government.

Mr Court: You can't even buy petrol in the Eastern States.

Mr SPRIGGS: Actually the airline pilots are going to go off their strike because there is no petrol. When there is petrol, they will return to their strike.

Mr Court: In Sydney if you have an even-numbered car numberplate you can buy petrol only on every alternate day.

Mr SPRIGGS: It is crazy. I really cannot say enough to support the Bill proposed by the member for Gascoyne. It is legislation which will be in place for some time. When the Opposition is returned to Government in 1989, this Bill will have to be honoured, and it is a Bill which gives the motorists of this State a fair and reasonable part to play in the taxing of this State.

The proposal of the Minister is anything but a road maintenance tax. It is a tax which the Government needs to put in place to cover up its incompetence in running this State.

We have seen the Federal Government bring this country to its knees in three years. In 1983 we were probably among the 10 wealthiest countries in the world; today we are about 22nd on the list.

Mr MacKinnon: Down at the bottom of the heap.

Mr SPRIGGS: That is right. That is what a Labor Government has done. In this State the effect of the Labor Government has been even more pitiful. It has lived for the last three years

on casinos, marinas, and the America's Cup; it has achieved nothing else. It has not managed to produce one development apart from a casino and a couple of marinas, and the people this Government has lived off, such as those who won the America's Cup, are the people the Government used to condemn.

Mr Troy: What about the market for flowers improving?

Mr Court: The first thing you wanted to do was to move into the flower industry.

Mr SPRIGGS: The Government must have thought it could get out of its problems by moving into that industry, but I can assure members opposite it is a fairly expensive hobby.

I ask the House to support this Bill. It will be binding not only on this Government, but also on the Government in 1989, which certainly will not be a Labor Government.

MR COWAN (Merredin) [9.02 p.m.]: I do not think I need to enunciate the National Party's position in relation to the State fuel franchise levy; it is clearly-known to both sides of the House. Although we welcomed the repeal of the Road Maintenance (Contribution) Act when the fuel levy was first introduced, we were very suspicious of the Government's intentions to apply a levy on fuel when the rates would be decided by the Government of the day.

As a consequence—and I have said this many times in the past—a tax which was worth \$4.5 million in revenue to the State of Western Australia in 1978 was replaced by a tax which produced something like \$17 million in 1979, and \$46 million last year, and the projected figure this financial year is in excess of \$80 million. That tells the tale of how this Government has followed Governments in Canberra down the path of tax greed, particularly in relation to oil products.

I do not have to remind the House that in Canberra there are two major forms of taxation on oil products: One is the crude oil levy which according to the current Budget paper estimates is due to return \$4.3 billion in 1985-86; and the other is the Federal Government's excise on refined petroleum products, which returns \$2.34 billion. That is a total in excess of \$6.8 billion raised by the Commonwealth Government from oil and oil products. That is an enormous amount of money, and it is our responsibility to persuade the Federal Government to wean itself from this source of income.

Mr Laurance: How much do they spend on roads now?

Mr COWAN: We will come to that in a moment.

Clearly the Federal Government—and I am not talking about this present Government alone, but successive Governments—has taken liberties with the taxation imposed on both crude oil and the refined product. The problem is that when the excise on refined petroleum products was introduced its concept was to generate income for expenditure on construction and maintenance of the nation's roads. The Commonwealth Government Budget papers estimate that that tax will return \$2.343 billion in 1985-86. I ask members to remember that the original concept was that it would be expended on the construction and maintenance of roads. What do we see? In the same Budget the capital grants made available to all States by the Commonwealth for roads were \$776 million.

If we take into account the funds made available under the Australian bicentennial road programme—an additional \$429 million—we get a total of \$1.206 billion, which is just over half the amount of money that the Commonwealth Government takes from motorists for the purpose of road construction and maintenance. That answers the question raised by the member for Gascoyne.

It does this Government no credit at all to come into Parliament, as it did three weeks ago, and say that because it cannot convince the Commonwealth Government to give the State its original share of revenue from the excise on refined petroleum products, this State has to look at other ways and means and increase the fuel franchise levy. That is what the Government did. It heaped praise upon itself for two consecutive years previously because there was no increase in the levy. It said what a wonderful job this Government had done in respect of financial management and by not increasing the levy. It waited until the world crude oil price dropped and the Federal Government made some adjustment to the tax on crude oil. Admittedly it was only half of the real value of the drop in price, and motorists received only half the benefit of that price decrease, but there was a drop. This Government seized the initiative and bumped up the rate of the State fuel levy by 92 per cent for petrol and 66 per cent for distillate.

Clearly there should be absolute outrage at that rate of increase. I say that not only for the whole of Western Australia, but particularly for those people who live in country areas because we represent 26 per cent of the population of this State, yet we pay in excess of 45 per cent of

this tax. As individuals, people who live in rural Western Australia pay up to three times the amount of this tax as do their metropolitan counterparts.

We accept that a greater part of the revenue that is generated from the State fuel franchise levy is expended on roads in country areas. However, I wonder if that is really enough to compensate the country people who are paying sometimes three times as much as are their city counterparts. It is small joy to those people to see the amount of the return of funds to the country areas. It is something that we will not ignore and we are not unconscious of them. I want the Minister to understand that we will not accept a discriminatory tax—it must be discriminatory if the country people pay three times as much as their city counterparts. Some compensation must be given to the country people and I wonder if that compensation is sufficient.

Mr Speaker, I am sure you are wondering when I will speak to the Bill before the House. The situation is that the member for Gascoyne has introduced legislation which will link the maximum rate of increase of the State fuel franchise levy to the CPI. The National Party has definite views about what should be done with this particular levy, and in the absence of what we would do with it—that is, follow our Queensland counterparts and not have it all—we see this legislation as being an alternative. It is definitely second best, but because the National Party has not put forward legislation, it is prepared to accept what the member for Gascoyne has put forward.

I must comment on the fact that this Bill could have gone a little further by stating that the funds which are generated from the levy should be spent exclusively on the construction and maintenance of roads.

I can assure the House that it will hear from me when the matter is raised in this place because it is the subject of an amending Bill which has been introduced by the Minister for Transport. I cannot for the life of me see how the Government can justify that the motorists of Western Australia should now be asked to meet the social cost of maintaining Westrail, Stateships, and Transperth services, and even air services. I see something immoral in that aspect. Why should motorists meet those costs? Perhaps the Minister could give an answer to explain why it should happen.

Mr Troy: If you wait for amendment Bill (No. 2) you will hear my reasons.

Mr COWAN: I will have to wait for the Minister to speak, but the Minister will produce no argument that will convince me that the social cost should not be borne by the community as a whole. It should not be imposed on one specific group of people—the motorists of Western Australia. Why should those people who choose to use a motor vehicle have to support Westrail? It is up to the Government and the people of Western Australia to make a decision about whether rail transport is a necessary service. We in the National Party believe it is, but if it is a necessary service Western Australians as a whole should pay for it, not the motorists or those people who are putting fuel in the cars of motorists.

Mr Troy: They are in a reasonable position.

Mr COWAN: I hope the Government will be in a good enough position not to have to explain the terms in which the revenue from this levy will be expended.

Mr Troy: Do you acknowledge the improvement in Westrail?

Mr COWAN: Of course I acknowledge the improvement in Westrail, but that is not the point. The point is, why should motorists have to pay or meet the losses incurred by Westrail, Stateships, or any form of transport service the Minister would like to name?

In his speech tonight the Minister made a comment about cross-subsidisation and how bad it was.

Mr Troy: How bad it was? I suggest you read my speech.

Mr COWAN: I will read the Minister's speech very carefully. He certainly implied to me that cross-subsidisation was bad.

Mr Troy: I was talking about country bus services. I said that some are profitable and some are not, and there is a degree of cross-subsidisation. It is not a question of flogging off the profitable services as has been suggested.

Mr COWAN: I will read what the Minister said with interest, and if I have to retract my statement, I will.

The State fuel franchise levy which came into existence seven years ago generated \$17 million and it is now estimated that it will generate in the vicinity of \$85 million. Quite clearly this Government and its predecessor have shown a degree of irresponsibility in the application of the levy. No taxing mechanism should increase at that rate. It is totally unjustifiable.

The measure introduced by the member for Gascoyne will at least curb the excesses of Government and for that reason the National Party supports the legislation.

MR LAURANCE (Gascoyne) [9.17 p.m.]: At the outset I thank the speakers on this side of the House who supported my Bill; I thank them for their comments, all of which were pertinent. I am disappointed the Government has decided not to support the Bill. I guess that politics, like other walks of life, has its ups and downs, and when a member in this House has a Bill drafted and brought to the Parliament he hopes it will be successful. I thought it was a fair and reasonable Bill to introduce on behalf of the motorists of this State, although it was not the ideal.

I thank the leader of the National Party for both his and his party's support which I sincerely appreciate. I take his point that it would be better to have a Bill before the House that would remove the tax altogether. My party went to the election with that view, and it was told in a scandalous way in letters from individuals and Government employees that if this transpired no roads would be built and there would be no Main Roads Department. I point out to the House that there is a Main Roads Department and roads are built in Queensland, yet that State does not have a fuel franchise levy. I am not asking the Government to limit its road building capacity or its ability to maintain the road system which I acknowledge is of tremendous importance to this State. I am asking for a fair go for the people who have to pay the tax and for the Government to restrict the spending of the amount raised to its original purpose; that is, to build roads. Motorists are paying this levy and the funds should be expended on road building and maintenance.

The Minister forgot two important points in his speech on this legislation. Firstly, he forgot the Premier's clear statement that the Government would endeavour to keep increases in taxes and charges at or below the inflation rate.

The point I want to make to the member for Merredin is that the Opposition would prefer that there be no fuel franchise levy, but if there is to be an increase it should be a reasonable increase. Someone has to represent a fair go in this Parliament, and it is obvious that it is the members of the Opposition parties who do this.

Certainly there is no fair go from the other side. It was interesting that when I introduced this Bill and asked members opposite whether they thought that a 92 per cent increase in any tax was a fair and reasonable thing, they all hung their heads in shame. They knew that their Premier had said that he would try to keep the increases at or below the inflation

rate. All I am doing with this Bill is asking the Government to live up to the Premier's promise. He said that that was what he intended to do; let him do it. If he is consistent, he must support the Bill. The Government says that it will not support the Bill; that emphasises its hypocrisy with respect to this matter.

Mr Lewis: The Minister is forecasting an increase in future.

Mr LAURANCE: There will be increases in future.

We are asking the Government to live within its means and to apply to roads the tax that is raised. We have not said that there should be no increases in future. We have said that the increases should be limited to something that is fair and reasonable, and the Premier has already spelt out the parameters of what is fair and reasonable. He has used the inflation rate and said that increases in line with it would be fair and reasonable.

The Minister told us a lot about how difficult it is to link the Consumer Price Index to road building costs. He indicated, for instance, that in a year when he was associated with a local authority the CPI went up 12 per cent but road building costs went up 28 per cent. All of that was very interesting information. It was well put together by the Minister and fairly well presented. The only thing was that he was not telling it to the right person. There is no point in telling me about it. He should have been telling the Premier about it. I did not say that we would keep the taxes and charges in this State at the inflation rate; the Premier did. The Minister does not need to try to convince me; he should convince his Premier. In line with his argument, he should have said that if the inflation rate was 12 per cent we would need to put up our taxes and charges by 28 per cent. However, he did not give that argument. He said that taxes and charges would be kept at or below the rate of inflation. He said effectively that a Bill like this should be supported. That is the point I make and the one the Minister overlooked.

I do not dispute anything the Minister said about the cost of road building and the way it escalates over a period. I agree with the Minister on that point. However, the Minister forgot that it was his Premier who said that he would keep the increases in taxes and charges at or below the inflation rate.

Mr Troy: What you have said indicates that you do not understand the point about escalating costs. I suggest you look at the table I had incorporated in *Hansard*.

Mr LAURANCE: Why did the Premier not think of this before he put out his statement? Why did he not indicate prior to the last election that he would have to increase the fuel franchise levy on motor spirit by 92 per cent, instead of saying that he would keep increases in taxes and charges at the rate of inflation? The first thing the Minister got wrong was that it was the Premier who made those statements about taxes and charges; it had nothing to do with the cost of road building. The Premier obviously forgot that when he made his statement and the Minister forgot that here this evening. The second mistake the Minister made was in neglecting to mention that it was his Government which introduced the excessive prices legislation. That was pointed out very well by the member for Darling Range. This Government, at a special sitting of the Parliament, brought in legislation that prevented this very thing from happening. This Government made it illegal to put up prices, particularly fuel prices, in this way. The Minister obviously forgot that. He loaded the rifle with two shots, took careful aim and shot himself in both feet. First, the Premier said that increases should be limited to the rate of inflation. This Bill seeks to do that, but the Minister disputed it. Secondly, it was not the Opposition which brought in the excessive prices legislation; it was the Minister's Government which said it was illegal to put up prices by 92 per cent. It said the increases could only be fair and reasonable ones. This Bill is about fair and reasonable increases.

It is quite obvious that the Government is out of touch with the electorate. People opposite are ashamed and embarrassed about the rate of the increase. The Government is introducing the increase immediately after an election, completely throwing its election promises out the window. The Government has come in here at the first opportunity after an election to bring in these horrific increases. It is quite obvious that only one group of people in this Parliament are in tune with the public, and have some sympathy for the motorists of this State; that is, the members on the Opposition benches. The Government is simply being arrogant; it is quite out of touch; it is tax greedy, as the member for Merredin has quite rightly pointed out; and it will pay the penalty, as I have indicated a number of times. It provides

yet another example of the way in which the Government is acting more like an Opposition every day.

The Minister talked about the total cost of fuel. What he did not say, of course, was that the amount of the Federal excise levy is a massive 25c out of the current retail price of approximately 52.2c a litre. The State Government fuel franchise is now 4.2c a litre. As I indicated in my second reading speech, the Government gets more than the retailer. At the time, the Government said it would help out the retailer. It has helped him out all right; it has pushed him down to the extent that he is the person who gets the least amount out of the sale of fuel. The State Government takes more than the retailer.

When considering the total cost of fuel, we have to remember that the biggest rip-off is the Federal Government's take. We can see that the State will move down the same path as that taken by the Federal Government. The figures given by the member for Merredin were very illuminating. We all know what has happened. As the total take by the Federal Government has increased, the proportion spent on roads has decreased.

The other measures before the House, the Transport Co-ordination Amendment Bill (No. 2), will set up a transport trust fund. I touch on this matter, Mr Speaker, in reply to the Minister who raised it. In future, the levy will not be spent solely on roads; it will be spent in a number of other ways, which is quite unfair to the motorists of this State. They should not have to pay for the Perth-Fremantle railway or the electrification of the suburban network. The Government intends to implement such things, along with a host of other things. We will see, I predict, that less and less of this levy is spent on roads.

Mr Troy: You make some wild guesses.

Mr LAURANCE: Let the Minister tell me if it is not the case. It has happened in the Federal sphere and will now happen in the State sphere. The Government has opened the floodgates and this is what will happen. Less and less of this levy as a proportion will be spent on roads and more and more will be spent on other transport-related purposes. Once again, that is ripping off the motorists of this State. There is no earthly reason why they should fund the deficits on other forms of transport. If there is a social cost and we want these things, and a good argument can be made for having them, as has been pointed out earlier by previous

speakers, they should be a charge on the Consolidated Revenue Fund. All the taxpayers of the State should chip in.

I take up a point with respect to country motorists. They pay a very high proportion of this levy in order to have quite a bit of it spent on roads in the country. However, if we look at the geography of the State, that makes good sense. It is the only way it could be done. The Minister must remember that people living in the country who pay a considerable amount of this levy do not have access to the Perth-Fremantle railway, the suburban railway system, or the MTT and the like, which some of this money will be used to fund. When they come to Perth they may have such access, but generally they spend their fuel money in the country and do not have access to these loss-making machines that will be shored up by this levy in the future.

Mr Troy: Your constituents would not have the benefit of that in any way?

Mr LAURANCE: They certainly get benefits from the roads; they do not get benefits from the Metropolitan Transport Trust.

Mr Troy: What about some of the others like RPT air services?

Mr LAURANCE: Does the Minister want country people to subsidise RPT air services when they buy fuel?

Mr Troy: Where do you draw the line between air services and buses?

Mr LAURANCE: I draw the line at asking the motorists to pay for RPT air services. Even though I did not agree with the Minister's arguments, I thought that he had put them forward in a fairly logical way; but what he is now saying is quite absurd.

A person in my electorate at Carnarvon or Exmouth is required to pay three times more for his fuel than a person in Perth or in the metropolitan area. The Government is now asking us to subsidise the regular passenger transport service, plus a rail network and the MTT which lose heavily. Where is the logic in that? It is too absurd to follow the Minister down that path and I will make sure I do not.

We will steadfastly oppose that transport trust when it comes before the Parliament. More will be said about how this money is raised and how it will be spent, both now and in the future, when we deal with the Bill.

In conclusion I commend this Bill to the House for this reason: It is fair and reasonable. Members opposite are ashamed to announce the increases they are bringing forward this year. My Bill proposes they be reasonable and that the Government should live within its means on this issue, as on others. If this legislation were passed there would be no need for the State's road building programme to be affected deleteriously. I thank those members who have seen fit to support my Bill and I trust the House will have sufficient wisdom to pass it.

Question put and a division taken with the following result—

Ayes 18

Mr Bradshaw	Mr Lewis
Mr Clarko	Mr MacKinnon
Mr Court	Mr Nalder
Mr Cowan	Mr Schell
Mr Crane	Mr Stephens
Mr Grayden	Mr Thompson
Mr Hassell	Mr Trenorden
Mr House	Mr Watt
Mr Laurance	Mr Spriggs

(Teller)

Noes 24

Mrs Beggs	Mr Tom Jones
Mr Bertram	Mr Marlborough
Mr Bridge	Mr Pearce
Mr Terry Burke	Mr Read
Mr Carr	Mr D. L. Smith
Mr Peter Dowding	Mr Taylor
Mr Evans	Mr Tonkin
Dr Gallop	Mr Troy
Mr Grill	Mrs Watkins
Mrs Henderson	Dr Watson
Mr Gordon Hill	Mr Wilson
Mr Hodge	Mrs Buchanan

(Teller)

Pairs

Ayes	Noes
Mr Williams	Mr Thomas
Mr Mensaros	Mr Brian Burke
Mr Blaikie	Mr Parker
Mr Cash	Dr Lawrence
Mr Rushton	Mr P. J. Smith
Mr Lightfoot	Mr Burkett
Mr Tubby	Mr Bryce

Question thus negatived.

Bill defeated.

LANDS AND SURVEYS DEPARTMENT

Restructuring: Motion

MR LAURANCE (Gascoyne) [9.34 p.m.]: Disappointed as I am with the loss of the previous Bill, despite the strength of my argument which should clearly have carried the day, I would now like to move to this motion which deals with the proposed restructuring of the Lands and Surveys Department.

I move—

That this House expresses its bi-partisan support for the proposed restructuring of the Department of Lands and Surveys and seeks:—

- (a) for the Opposition to be consulted about the proposed changes by the head of the Government's Task Force, Mr Frank Campbell, so that the Opposition can contribute in a meaningful way to the outcome;
- (b) that the maximum opportunities be created for the Government's total surveying requirements to be contracted out to the private sector in the same way that is presently employed by the Mines Department, and
- (c) by contracting out and by Government support for the Surveying Industry to encourage the export potential of the industry similar to the example provided by Canada.

I do not expect that this measure will receive one jot of publicity. It is only when an Opposition tries to slam the Government over some issue that the media seems to be interested. Despite the fact that many people in the community ask why members of Parliament cannot come to grips with how to run the State and so on, the media does not seem to be interested unless there is some controversy.

In order to get people to watch television or read the newspapers they need to include some controversy. This motion is not controversial. It has been moved because the Opposition supports the thrust of what the Government intends to do in the restructuring of the Lands and Surveys Department. I am delighted to have an opportunity to express those thoughts on behalf of members of the Opposition. We believe there is a real job to be done on behalf of the State in restructuring that department.

That does not make news. It is not headline-making stuff. This motion simply says that the Opposition agrees with the Government; we want to support what the Government is doing and we want to be able to assist. In fact more than that, we want to cooperate and try to make sure that we have some input.

We believe that we have some expertise in the area as a result of our previous period in Government. We spent a considerable amount of taxpayers' money on the initial surveys

which to a great extent have led to what the Government is doing now. I emphasise that we do not claim the credit for what the Government is doing. I am not saying that the Government is doing now what we began. I say that quite truthfully, because I have not seen the report of the Government's task force. However, I would be very surprised if what the Government is doing now was not to a substantial degree based on the reports compiled by PA Management Consultants, which was given a brief in respect of this matter by the previous Government.

Approximately \$250 000—it may have been more—was spent by PA Management Consultants in the last two years of our term of office. Certainly in the last year, when I was Minister for Lands, a very substantial outlay of taxpayers' funds was channelled into ascertaining the future of that department. That advice was then available to the Labor Government.

The final report of PA Management Consultants was available in March 1983, so I did not actually see it, although I saw many interim reports along the way. I was right up to date with what was happening, so I knew virtually word-for-word what would be in the final report, although I never actually saw it.

The Labor Government then appointed its own task force and the matter was followed through for approximately 18 months. About 18 months ago the task force completed its work and gave its report to the former Minister for Lands and Surveys (Hon. Ken McIver). That Minister was in a difficult position. He had just presided over the restructuring of the Public Works Department, now the Building Management Authority. That was a rather traumatic experience for him and also for the people involved. Many officers of that department lost their jobs. We supported the Government in a broad sense in what it did in respect of the PWD, although we like to think that we would have carried out the restructuring in a more sensitive way so that a good result was achieved without the heartache that in fact occurred.

However, as a result of the restructuring of the PWD into the BMA, the then Minister for Lands and Surveys could not face up to a similar debacle in his other departmental responsibilities. I have some sympathy for him in that respect. Therefore, he decided to shelve the whole matter. What I am saying is borne out by the fact that the present Minister, when approached by the Press, was very forthright in his comments. He was reported as saying, "I

am not going to preside over another BMA." I appreciate his sentiments. He would be sensitive about the matter and would not want to be in that position.

Nevertheless, that does not mean that what needs to be done should not be done. I am sure the Minister will have the courage of his convictions and will go forward and bring about the changes which are necessary in that department.

Many of the practices of the Department of Lands and Surveys are archaic. I was Minister for Lands for a year and it was one of the most frustrating periods of my life from the point of view of being an administrator and decision maker. Prior to coming to this Parliament I was fortunate in a couple of careers to have a good deal of experience in management and administration. The period that I was Minister for Lands was very frustrating, because the Department of Lands and Surveys has been located in its present office for about 50 years too long.

I was very disappointed to see that one of the moves the Government is making in its austerity campaign is to postpone the construction of the new building for that department. That is a sad day for the State. I do not criticise the Government for pulling in its belt, but it is sad that the construction of that new building has been postponed. I hope it has just been deferred temporarily and not cancelled altogether, because that department needs to be moved out of its present offices.

When I went to my office in that building each morning I felt that I had to move the cobwebs aside. I complained bitterly to the Premier of the day about the standard of the office of the Department of Lands and Surveys.

Mr Hodge: To which office do you refer? I am in the office on the corner of Barrack Street.

Mr LAURANCE: That office is a million times better than the office I was in. I had come from a very good ministerial office which was built by the former Minister for Housing (Hon. Arthur Bickerton) in his day, and I had occupied it for two years. I was then asked to take over the Lands portfolio and to move into the office of the Minister for Lands. I did not think much of that office; and the present Government has confirmed my thoughts on the matter, because it is the only ministerial office that it did not occupy when it took over its responsibilities in Government.

Mr Hodge: I must have the next worst office.

Mr LAURANCE: It is considerably better than the one to which I am referring.

Mr Hodge: It is an historic building which needs to be preserved.

Mr Court: It used to be the Premier's office, did it not?

Mr Hodge: Yes, John Forrest!

Mr LAURANCE: What the Minister says is very humorous. Much history attaches to that building. It is a magnificent building, but there is no way in which a department can work efficiently in it. The present Department of Lands and Surveys occupies not only that building, but also six others, so it occupies a total of seven buildings around the city.

The building to which I refer is like a rabbit warren. One cannot find people, let alone ensure that what they are doing is what they should be doing and that they are doing it effectively. One could almost work there for 10 years, pick up one's pay every second Thursday, and nobody would know whether in fact one was present at one's desk. The problems are not the fault of the people who work in that building, but rather they relate to the conditions under which they work. If one wanders down into the basement of that building one will find—

Mr Court: A few skeletons.

Mr LAURANCE: —among the cobwebs and skeletons a magnificent part of Western Australia's history. The field books of all the early surveyors and explorers are in the archives in the basement of that building. I worked from my office in that building, so I spent much more time there than does the present Minister. He is fortunate that he does not have that experience. However, I suggest that at some stage he has a look in the basement. He will find the original field notes of the first Premier of the State (Sir John Forrest) which he wrote when he was an explorer and surveyor. Those notes are not preserved in any way. They are not in a fireproof container. It astounds me that they have not been removed to the Battye Library or other appropriate archives for storage.

When the department is moved to a new building, if not before, those records should be maintained in a more appropriate manner. The early history of the State can be found recorded in the handwriting of those who actually traversed Western Australia as explorers and surveyors. Those documents should be preserved properly, but that has not been done at the moment. It is no-one's fault. There is a

task to be done there and I bring that matter to the attention of the Parliament as it is important that we do something about the tremendous amount of history which can be found in that basement.

I have outlined some of the constraints under which those who work in the Department of Lands and Surveys must operate; and that position has obtained for many years. There is a real opportunity to change that and to split the functions of land management and administration, and the task of surveying, including the inspection of surveys and the control and regulation of the surveying industry in this State. Those are two distinct functions which should be separated.

It is very difficult to get it across to the people of this State, particularly through our news media that, on occasions, the Opposition supports the Government in what it is doing.

The Minister made a fairly substantial statement quite early in his tenancy of the Lands portfolio, and I commend him for getting active on this matter early in his administration. He can really make a name for himself by carrying through with this reorganisation. I charge the Minister and his Government with carrying out some of the things he talked about. I have said already that it was difficult for the former Minister to get on with the job because he was running up to an election and was faced with a number of difficulties being Minister for Works at a sensitive time; but this Minister does not have those constraints.

I point out how difficult it is at times to get the message across that the Opposition actually supports the Government on this matter. I refer to an article that appeared in a Saturday edition of *The West Australian* earlier this year written by Steven Loxley.

Mr Taylor: It was an accurate article.

Mr LAURANCE: I spoke to the reporter concerned about the statement he had attributed to the Minister and he was able to convince me that it was a very accurate report, and the Minister has agreed that it was. But for a very accurate article it had a headline "State plans to axe historic lands job". The headline was a little unfair for the article, although I am not blaming the journalist for that because I have often been told by journalists that they do not write the headlines.

We issued a statement which was 95 per cent in favour of what the Government was doing. We could not be 100 per cent supportive and

we indicated that we might find some argument with the Government's intention to remove the title of Surveyor General. I stress that we did not say we opposed what the Government was doing; we merely said there might be an area of disagreement over the abolition of the title but we supported the thrust of the Government's actions.

To my amazement our release actually got a run in *The West Australian*, but it was under a heading "Fight to retain historic title". The article stated that the State Opposition wanted the historic position of Surveyor General retained in the Department of Lands administration. That is not untrue but it does give an impression different from the one contained in the headline.

I indicate to the Minister now that we certainly are not going to fight to retain the historic title of Surveyor General. Although that is one area where we might be in conflict, I do not want it to override the fact that we approve of what the Government is doing.

The title of Surveyor General is an historic one in this State going back to John Septimus Roe, who played a tremendous part in the development of WA, and right down through the famous people who have held the title of Surveyor General. So, purely on historical grounds there is some argument for retaining the title. It might be possible to change his duty statement significantly, but that is not necessarily a reason for changing his title.

In the other States the title has been retained but the position has been downgraded, and this is particularly so in South Australia. In that State he was put on a different rung and a new person was brought in as Surveyor General. Surveyors General are very loath to give away their title. They feel they have a responsibility to see that the historic title of Surveyor General is retained. It is therefore difficult to get a Surveyor General to accept a lesser role. The South Australians brought in a new person from South Africa or another African State, but it was to fill a lower level position in their lands administration. So the position can be changed without doing away with the title.

One of the reasons we said we might want to see the title retained is that the private surveying industry has said that it would prefer to see the Surveyor General title retained. However, when we press members of the industry we find they are not all that strong on the point. What they are strong on—and I want to emphasise this—is that they want the person who regu-

lates the surveying industry to be a professional surveyor. They believe that opting for the title to be retained would ensure that the incumbent would automatically be a surveyor.

So, even in the one area where there might be some minor conflict between the Government and the Opposition there is no real conflict when it is all boiled down, despite the headlines on those articles to which I have referred.

We want to support the industry on that part of any change. If there is to be a change in the title of Surveyor General, we support the industry's desire to see a qualified surveyor being the head of the profession in this State from a regulatory point of view.

I move on now to comment on the specific points in the motion which indicate we would like the opportunity to be involved with the Government's task force. I have explained that we would like to be consulted about the proposed changes and to have the opportunity to contribute to this exercise in a meaningful way. The Leader of the Opposition wrote to the Premier on 26 May this year stating that the Opposition supports the general thrust of what the Government intends to do with this reorganisation. He sought for the Opposition to be able to consult with Mr Campbell. He indicated that we had commenced to move in this direction by appointing PA Management Consultants in 1982, I think. He also pointed out that when I was Minister for Lands I had visited every mainland State to study possible improvements and found points relevant to our situation in both Queensland and South Australia. I felt we could learn something from the changes undertaken in those States, which had both reorganised their lands departments in recent years but in different ways. Various changes from both examples could be used in WA.

The Premier responded to the Leader of the Opposition and his letter was received in the office of the Leader of the Opposition on 2 July, just a few days ago. I am not critical of the delay in receiving the Premier's reply because I understand the pressures he is facing. The Premier said in his letter—

Thank you for your letter about the proposed reorganisation of the Department of Lands and Surveys. I welcome your support and assure you your proposal for Opposition involvement is being given proper consideration.

I will explain my motion. We are not asking to take over the role of Government; we are not asking that our point of view be accepted if it conflicts with what the Government wants. By the same token, it is only fair that I say that while we are keen to be seen to be supporting the Government in this measure, if we find that somewhere down the track there is a difference of opinion about a particular way the Government wants to go, we reserve the right at a future time to be critical of the way the Government acts. But we do not want any criticism to cloud our general support of what the Government is doing. I make it clear that we support the Government's general thrust. In no way am I suggesting in this motion that we demand the right to get involved in the reorganisation. What the Government does is its own business; we appreciate and understand that. The Government has until 1989 to do that.

After that members of the Government will be on this side of the House and we will be on that side, and if the Government has not completed the work it can assist us to do so. I sincerely hope for the sake of the State, let alone the Government or the Opposition of the day, that these changes are well and truly in place before we resume Government in 1989.

The second part of the motion refers to maximum opportunities being created for the Government's total surveying requirements. I want to refer in some detail to this part of the motion because it is tremendously important; that is why we are supporting the Government. There can be great savings for the State in doing things a different way, and reorganising our surveying industry and its regulation is the job of the Government and the Lands and Surveys Department. It can be reorganised in such a way as to be more efficient and effective, and much cheaper for the State. The gains and benefits that can accrue to the State are important. It is one of those good things where everybody wins—the taxpayers, the industry, the department is leaner and less expensive, and so on. Everybody gets the benefit if it is done the way we understand the Government is moving.

The Minister gave some indication in his recent statement of the savings that may be available. He said the report of the task force estimated the recommendations would improve productivity by 10 per cent to 15 per cent over two years. A productivity gain of 10 per cent is worth \$1.7 million a year in salaries alone. I think far more than that can be achieved. I sincerely believe those estimates are

conservative and the savings could go a long way beyond that.

The industry will support this sort of move—the transference of surveying regulations and requirements from the department to the private sector. We do not want to see wholesale dislocation in the industry. The Minister said he did not want to preside over another BMA. We are not asking him to do that. If one looks at the Canadian experience—and I will refer to it in more detail in a moment—one sees that about five per cent to 10 per cent of the public sector surveying tasks were transferred to the private sector each year. It minimised the dislocation, and the Government kept up the job and has been able to achieve a great deal to the benefit of everybody in that country. It is a huge success story and we can achieve much the same thing in Western Australia. Canada is a nation and Western Australia is a State, but if we do it in the way we are suggesting I believe the rest of Australia will follow. We can give a national lead; we are asking the Government to live up to its own advertising and to show Australia how in this industry.

Great joy to behold! There is another benefit to the State. Not only will it save the State money and transfer work to the private sector, but also no-one will lose a job. I give this undertaking on behalf of the industry—it has made this undertaking public, but I put it now to the Minister, the Government and the people—that the private sector of the surveying industry will employ every person who may no longer be required in the public sector as a result of any changes. I think that is a magnificent undertaking by the surveying profession.

We are not saying to the Government that it should rush in and make a lot of changes and dislocate many people. We are asking it to make a start and also to make a commitment over a period of time to transfer the functions to the private sector. Not all functions can be transferred; there is still a regulatory and inspectorial role to be carried out by the department. That can be done by the Government and by self-regulation in the industry and better standards. My colleague, the member for East Melville, will comment on that in a moment because he has professional experience in this field. The private sector will pick up all the people who are dislocated and it will purchase any equipment which becomes surplus to the Government's requirements, particularly the photographic equipment and so on. One cannot ask for more than that. It is a tremendous

offer on the part of the surveying profession in Western Australia.

Mr COURT: Didn't they create another export industry in Canada and do all the surveying in the Middle East and Asian countries and the like?

Mr LAURANCE: Yes, they did.

Before bringing this motion to the House in support of the Government's moves the Opposition met the surveying profession in this State. The Minister would be well aware that the organisations involved are the Association of Consulting Surveyors and the Institute of Surveyors. They are the two professional bodies. One is the body for private contractors—the companies who operate in the field—and the other is the professional body which represents surveyors, whether they are in the public or private sector.

It is an accident of history that at the moment the national presidents of both those organisations reside in Western Australia. The member for East Melville and I recently met the State and national presidents of both those organisations. That would usually be very difficult to do because the position of national president rotates around the States. They were able to give us very clear undertakings from their industry that they will take up any slack in the public sector by transferring surveyors to the private sector and buying any equipment which is surplus to the Government's requirements.

They indicated there is not sufficient support within government—and I am not talking about this Government in the political sense, but from the government sector—for the private surveying industry. Many Government departments do their own surveying. Too many of them have too many surveyors, and there is no need for that. This situation has built up over the years. The Main Roads Department employs 48 to 50 surveyors; the forests section employs surveyors as do the Water Authority and the harbour authorities. The Federal Department of Administrative Services and the Department of Aviation employ surveyors, and local authorities have in-house surveyors.

In employing all these surveyors the Government fools itself that it is getting work on the cheap. There is no standard set of fees for work done for any Government agency by a Government surveyor. The Government thinks it is getting the work for nothing. Nobody does that; it is really a subsidy from the Government to

itself because it does not charge out these services at a proper rate.

The private association of consulting surveyors has negotiated with the Minister and has suggested that there be a standard set of fees for surveying which would apply regardless of whether the work was undertaken by a private or public surveyor. That is important. To date, Government departments have fooled themselves by thinking they have had surveying work undertaken cheaply, when in fact it probably costs a great deal more for a Government surveyor to undertake work for Government departments than it would for a private surveyor.

One thing I ask members to note is that in spite of the fact that State and Federal Government departments employ their own surveyors the Mines Department which has a tremendous requirement for the surveying discipline, does not employ one surveyor. It can be done. I want to highlight the point that if every Government department took a leaf out of the book of the Mines Department, the cost of surveying to Government agencies would be reduced and we would have a strong survey profession which would do a great deal of good for this State. I admit that they would benefit personally, but there would be many benefits for the State. For that reason the Opposition believes that the Government operation should be transferred to a private operation.

Far be it from me to say that that is called "privatisation". We do not believe in that at all. The Opposition is saying that the Government should contract these services from the public sector to the private sector and it knows that the Government would not want to call it privatisation because it does not believe in it. However, it does believe in contracting-out work. It does not matter if it is called by a different name as long as it is a desirable move.

I refer now to encouraging the export potential of the survey industry. In this State we have surveyors whose businesses are export-orientated. A Mr Kevin Powell who is the head of Associated Surveys (Aust) Pty Ltd has an export-orientated business and he carries out a considerable amount of his work overseas. Mr Kevin Radford from Kevron Aerial Surveys Pty Ltd at the moment has contracts in Thailand which are earning important export dollars for this State. Those people are not on their own; I understand there are other businesses which contract for work outside this State. However, they are setting a tremendous example and are showing leadership in their

industry and proving what can be done. It is only a start and it is the opening of the doorway into the export potential of this industry.

If the Government were to get behind this industry and build it into a strong industry by allowing its survey work to be carried out by private consultants it would have the capacity to win export orders.

The proposition I have put to this House has been adopted in Canada. The cost of Government surveying requirements in Canada has decreased every year since its inception and export earnings have increased. The industry is earning \$60 million Canadian per year which, in Australian terms is \$100 million. That is the size of the industry about which we are talking and it can be achieved if the industry were supported by the Government and were given the capacity and support to earn export dollars for this State.

At the moment if the Government wants to undertake aerial surveying it employs the people required to undertake that survey, buys the equipment and charts the plane. How does that help the people in this State earn money overseas? We have responsible businesses in this State like Kevron Aerial Surveys which has contracts for aerial surveying in every State of Australia, in Thailand and in other countries, but it is not allowed to undertake similar work in Western Australia. It is crazy and it does not make sense.

The Opposition supports the Government in its proposed restructuring of the Lands and Surveys Department. When the restructuring is completed the work required by that department will be undertaken by local professionals who will have far more expertise and equipment available to them and will be in a much better position to win export contracts. It is as clear as that. The Opposition wants the Government to get on with the job and it supports what it is doing.

The Opposition asks the Minister to move as quickly as he can down the path it is recommending and while he is doing that, he will have the total support of the Opposition. As I said it is a situation in which everyone benefits.

As strange as it may seem the Opposition hopes that all parties will support the motion before the House and that it is shown that in this regard the Government and Opposition are one and that the motion has the support of the Parliament.

I commend the motion to the House.

MR LEWIS (East Melville) [10.18 p.m.]: I second the motion and in doing so I call on the House to support this bipartisan motion moved by the member for Gascoyne.

The Lands and Surveys Department has been recognised as an anachronism for many years and I think it is a credit to the Government that it has accepted the initiatives of the previous Government, has followed them through and is on the brink of restructuring the department.

I think it is only right and proper that the Government consult with the Opposition in a meaningful way in regard to this motion. The Opposition is certainly very interested in this matter and it is reasonable for the Government to accept its goodwill in wanting to achieve the best result. As we all know no one person is a font of all knowledge and no one party is a font of all knowledge. If this offer of a bipartisan approach is adopted by the Government the Lands and Surveys Department and the mapping industry of Western Australia will be better off in the long-term.

The mover of the motion is a former Minister for Lands and he has, at first hand, seen the inadequacies and inequities which exist in the department. The present Minister has realised these matters and has taken some action.

Of course, I was initially a cartographer and later became a registered land surveyor. I spent 30 years in the industry, 11 of which I spent in the ancient building known as the Treasury Building situated at the corner of Barrack Street and St Georges Terrace. I was trained by the Lands and Surveys Department.

Indeed, I believe that I had very good training and it afforded me the opportunity to further my endeavours and try my fortune in the private sector. Until coming to this place I spent 20-odd years in the practice of surveying, mapping, and kindred industries. Therefore, I think I speak with a little understanding of the matter and I hope the Minister will take notice of what I have to say.

The surveying and mapping profession is an old and honourable profession which goes back more than 3 000 years; it is considered to be the second-oldest profession in the world. In the last 30 years particularly, great advances have been made in surveying and mapping and I think it is incorrect to speak of surveying as such. The mapping section is part of the whole process and everybody visualises the end product as a map or delineation in plan form. Great strides have been made in the last 30

years and the profession now has the innovations of the measuring of distance by way of light beams, laser, infra-red, and radio. High-precision instruments have been developed that can measure a distance of more than 40 kilometres to an accuracy of one centimetre. Fifty years ago it would probably have taken six months to take that measurement with limits of error within 10 metres.

Advances have been made and this perhaps illustrates the antiquity which exists within the department and why it needs to be restructured. The Lands Department was structured around the need of this young fledgling State some 100 years ago to open up its resources for agriculture. In order to do that it needed an organisation and structure in the department that would allow the land to be developed and used. Of course, with the passing of time, certainly in the late 1950s and early 1960s when we saw the opening of the Esperance, Ravensthorpe, and Eneabba plains and the establishment of large holdings of up to 10 000 acres, we saw a revolution in the methods of agriculture and grain farming. For a period of more than 10 years a department was put in place which could service those needs as well as those associated with the reservation of Crown lands for the many and varied reserves necessary.

As land was taken up, less suitable land was available and the needs diminished but the structure of the department was left in place and the work quantum was reduced. Of course, this meant there were many bodies around the Lands and Surveys Department who 10 years previously had been quite busy trying to make the land available to farmers but who then found themselves going up and down in one spot without achieving much. That relates principally to the administration and management of the department, and the administration of Crown land, road reserves, and so on. It is indeed very obvious to all who have a little knowledge of the department that restructuring is well overdue and the Government should be complimented on taking the initiative to do that.

On the technical side associated with the Lands and Surveys Department, the production of cartographic maps and charts, and the servicing of the survey requirements of the Crown, have also changed. As I said, with the great strides in technology within the surveying profession we find that that profession cannot stand alone and surveyors cannot be recognised simply as surveyors. Today they are recognised

as having multi disciplines in cartography, hydrography, surveying and land management, photogrammetry, and all those allied disciplines.

Within the Lands and Surveys Department there are many hundreds of technical officers who were trained and brought up in the technology of 20 or 30 years ago whereby the requirement was to open up the land. With computerised mapping and rapid storage and retrieval of land information, these people have found themselves out of a job and they need to retrain and reappraise their positions. That is what this motion is about and what the Government is about.

Within the surveying and mapping profession we are on the threshold of a brand new horizon. We have Landsat satellites going around in the heavens which have put in place a tool for navigation. Today we have instruments that can determine a position on the earth's surface within 10 centimetres in a period of 20 minutes. That is a far cry from the situation 30 years ago when it would have taken a survey party weeks of observation to make the same determination.

Great strides have been made and I suggest to the House that unfortunately the technology within the department has not kept pace with progress. I am not saying that the officers are not competent in what they do; in fact some of those officers are leaders in their field in Australia, certainly with regard to position fixing and the use of satellites and satellite photogrammetry for measuring and gauging the earth's surface. I am saying that with the change in technology the private sector, by virtue of its need to survive, has moved rapidly into the new technology. The problem is that this new technology is very expensive; the plotters coupled to computers cost \$250 000 each.

Twenty-five years ago the Lands and Surveys Department would probably have been at the forefront of Australian technology in photogrammetry and mapping. It is unfortunate that it has slipped behind because it is in a position of needing to retool. There would be a large incumbent cost to the Government if the department were to retool completely. For that reason I believe it is necessary for the Government to take up the offer of the Opposition to talk to industry, which has limited capital resources but is in the forefront of technology, has purchased the equipment, is making it work, has it coupled to fourth generation computers, and is servicing the needs of geologists, agriculturists, foresters, and others who need

maps. If the department retooled to service its needs as it perceived them, it would be making a grave error.

I think the department must realise that much of its technology is antiquated. It probably works only eight or 10 hours a day. In industry the high capital cost of the equipment means that when jobs are under way the technicians work the machines for 24 hours a day, around the clock. They have to do so to get back a return on the capital cost.

I suggest that there are half-a-dozen firms in Western Australia, and some affiliated in other parts of the country, that have up-to-the-minute technology for mapping, hydrography, and remote sensing. It would be a crying shame for those firms, on the threshold of what I would see as a sunrise industry—and we are talking about mapping from satellites and remote sensing—if the Government now came in and spent large amounts of capital to take away the initiative from those people because of the power of its dollar and its ability to put in very high-cost technology.

The Government should encourage those private practitioners and professionals who have learnt the hard way. They are lean and hungry and know how to do their job well. They already export their expertise, and I understand that although they are fledgling, last year they had \$5 million-worth of exports.

Practitioners from this State were called to the North Sea in the United Kingdom to position the many drilling rigs that operate there now. Local surveyors positioned our own drilling rigs off North-West Cape. Our own surveyors and technicians have done extensive hydrographic surveys for the laying of subterranean pipelines and the like, and some of those firms have been practising mapping in some of the densest jungles in Malaysia, Sarawak, and Indonesia. They have also been active in the Middle East building causeways, pipelines, and the like.

There is a wealth of knowledge, understanding, and expertise in this State which, with a little encouragement by way of jobs and contracts from the Government, they could build into an industry; and I believe they could lead the world in that industry. The technology is on the doorstep, and all those people need are the initiatives and the encouragement to go out there and get it.

We know the Canadian experience; and when the Government survey agencies met in Canberra, they recognised that as a Govern-

ment they were not keeping abreast and their industry would be better served by people who could move quickly with new technology. It is unfortunate that Governments do not move quickly with new technology, but that must be accepted. Private industry has to move with it, because if it does not it is left behind and goes broke. It is as simple as that. The experts in this field must be encouraged and given jobs so that they can buy the capital equipment and export their knowledge and technology.

Speaking specifically of surveying within the Government, I see a very great need for the Lands and Surveys Department to retain the position of Surveyor General. That position should continue as it has traditionally, because the Surveyor General should be a person who has understanding in the multi-disciplines of surveying, cartography, and the like. A Surveyor General should be not only a surveyor but also well-versed in all the disciplines associated with mapping. I would even like to see the word "surveyor" removed from the title of the position because the position requires not only a surveyor but also a person with a broad spectrum of understanding and knowledge.

The position of Surveyor General should be retained within the Government, and we should recognise that that person has the discipline and the expertise, not only to regulate, govern, and coordinate the Government's survey requirements but also to advise and direct the private sector in its endeavours to export and pursue a greater expertise in the technology in which it is involved.

I envisage the Surveyor General as sitting above a group of professional surveyors, cartographers, and hydrographers. Those people would not be the doers in the field who do the work but the coordinators who ensure that the Metropolitan Water Authority, the Forests Department, and the Lands and Surveys Department do not sit down in isolation drawing the same map sheets. The map sheets should be drawn in one agency and adapted to go to the Forests Department, the Geological Survey, the Lands and Surveys Department, or the Main Roads Department. The mapping should be done in a coordinated manner. What happens now, and what has happened for many years, is that the individual departments have their own parochial understandings and jealousies, and they cling very firmly to the tradition of doing their own thing.

The Surveyor General's job in the future should be to coordinate all Government mapping requirements for all Government departments. I do not believe it is right and proper that over the last 10 years the Lands and Surveys Department has been winding down its professional survey staff while, on the other hand, the Main Roads Department has been cranking theirs up. That is wrong. The Main Roads Department might tell us it operates efficiently, but it does not. It is a matter of fact that contractors work harder. They are leaner and hungrier, and do a better job in the long run for a lower price.

I recommend to the Minister that he look at the survey sections within the Main Roads Department, the Forests Department, and the Metropolitan Water Authority to ensure that the functions needed—and it is accepted that they are needed—are coordinated by one agency, and preferably put in the private sector under a regulated structure.

Mr Taylor: The other Minister might be distressed about that.

Mr LEWIS: Okay, but we must look at the practical cost of it. I accept that people have parochial attitudes, but that does not always mean that economies prevail.

Mr Taylor: It is not possible for me to go into the Forests Department or Main Roads Department to ascertain their surveying practices.

Mr LEWIS: I am sorry, but the Surveyor General used to control all surveys. It probably reflects on the previous Liberal Governments also that some of those situations have been allowed to occur. However, if a Government is strong and good it should be able to grasp the nettle and put in place what should be.

Mr Peter Dowding: We are all of those things.

Mr LEWIS: The Minister for Industrial Relations may say so—that is fine. At least he is smiling.

To conclude, I commend this motion to the House. I believe there is a great opportunity out there for this sunrise industry. We hear the Minister for Industry and Technology talk about pursuing technology, but we have the expertise in this State now—people who have exported their technology and who must be encouraged. I request that the House think seriously about this motion, which is moved in good faith for the betterment of the State and the mapping and survey industry of this State. I commend it to the House.

MR TAYLOR (Kalgoorlie—Minister for Lands) [10.39 p.m.]: Despite the time, I have found this a very interesting debate from a couple of points of view; first of all from the point of view that it has been the sort of debate in which people who have taken part have had a genuine interest in the points they have made, and also a very responsible attitude towards the matter before the House.

An Opposition member interjected.

Mr TAYLOR: That is not quite true. People do not always have that genuine interest and responsible attitude.

In respect of what the member for Gascoyne had to say, I accept that his interests relate to his days as Minister for Lands in Western Australia.

Ken McIver continued the principles the member for Gascoyne supported and I hopefully will have the opportunity of bringing this matter to a satisfactory conclusion.

The member for East Melville, amongst other things, is a surveyor by profession. I have discovered that his record as a surveyor is quite outstanding. He shares with me the distinction of barracking for the best football team in Western Australia.

Mr Clarko: I am glad you barrack for Claremont.

Mr TAYLOR: I knew the member would say that. I knew he would wake up. We both follow East Fremantle. I treat the motion in the same genuine way in which the matter has been put forward. Certainly my responsibilities as Minister for Lands are interesting ones. They certainly are different from some of the more onerous responsibilities of Minister for Health, and although I often wonder why I was given the Lands portfolio on top of Health—perhaps it was to keep me out of mischief—it is one of the more interesting parts of my portfolio and I look forward to dealing with it on a day-to-day basis.

I share the previous Minister's concern for the administrative workload in that portfolio. Certainly some longstanding practices will have to change. Some matters take up the time of the Minister when they should not do so, for example, the signing of hundreds of Crown grants and the like. It is really quite unnecessary that that situation should continue.

I have inherited from Mr Ken McIver and the previous Minister, the current member for Gascoyne, the task of trying to bring about some sort of rationalisation of the entire Lands

and Surveys Department in Western Australia. The functional review committee finished its work some time ago, as the member for Gascoyne mentioned, and when I took over the portfolio of Minister for Lands I was faced with the recommendations of the functional review committee. I should mention that the Minister for Budget Management also has a responsibility in regard to the consideration of recommendations made. In liaison with the Minister for Budget Management I put before Cabinet the recommendations of the functional review committee. Those recommendations were accepted and a task force was established to implement them. For the information of members the membership of that task force, without necessarily giving all the names, includes a member of the Public Service Board as chairman, the Under Secretary for Lands, the Acting Surveyor General of the Lands and Surveys Department, the Commissioner of Titles, the manager of surveying and mapping in the Water Authority of Western Australia who has surveying experience and who in fact is a surveyor, and the Acting Assistant Director of Surveying and Mapping in the Department of Mines who in fact has cartographic experience. In addition, we have placed on the task force a representative from the Civil Service Association, as it was my view that because members of the association would in some way be involved in the implementation of these recommendations and in the future of the Lands and Surveys Department they had a genuine need to be on the task force. The task force works with a Government group which has the job of putting into some sort of reasonable form the recommendations of the functional review committee as applied to the Lands and Surveys Department.

I have distributed copies of the functional review committee report to the Institute of Surveyors, the Institute of Cartographers and the Association of Consulting Surveyors because it seemed to me, having spoken with some of those people, that they had a genuine interest in what was going on. They had some input in the early stages of the functional review committee's work and it seemed appropriate that afterwards they should also make some sort of input in regard to the implementation of the committee's recommendations.

I understand the desire of both members of the Opposition to be involved in this exercise and I accept that it does come from a genuine desire to be involved and to ensure that many of the recommendations put forward are in fact

implemented. However, I do have a difficulty in saying that they should be officially involved in that exercise because it would create a precedent which the Government has not sought to create up to this time. In fact the recommendations and reports of the functional review committee have quite deliberately been kept reasonably confidential—certainly they were confidential up to the date of Cabinet's acceptance of the committee's recommendations. It is the Government's task to ensure the implementation of those recommendations. Under the Westminster system of Government the Opposition's official role is not clear. As Minister for Lands, I am prepared to approach both members concerned to speak with them about the issue and to inform them of our plans and discussions in regard to what is and is not possible in regard to their involvement. We must try to achieve something which is good for the department concerned.

The member for Gascoyne mentioned the \$250 000 consultancy study conducted by PA Management Consultants into this area. I think that is the PACTEL report. The member is quite right in saying that that report was quite significant in the overall impact of the functional review committee and on a reading of the functional review committee report the PACTEL report is mentioned time and time again; in fact, some of the comments in the PACTEL report form part of the recommendations which will be implemented by the Government. That was a worthwhile report and exercise and it will make a major contribution towards what we are trying to do.

For many years the Lands and Surveys Department was a backwater. It was housed in one office building whereas now it is housed in six office buildings. It had its offices in the old Treasury Building for 50 years which, of course, has caused difficulties from the viewpoint of departmental administration and efficiency. The department has some excellent employees who are more than capable of doing a good job when given the opportunity to do so. I am really telling the employees of the Lands and Surveys Department that although this exercise may involve some degree of difficulty on their part in terms of their coming to grips with some fairly difficult decisions, it will give the department a sound future. If this exercise had not been undertaken, the department's future would be very limited because there is no doubt that over the years the role of the Lands and Surveys Department has been chopped to

pieces by other departments. This department has always been seen to be the weakling and whenever a decision was made as to which department would perform a particular task there was never any doubt that if it was a choice between the Lands and Surveys Department and another department, the Lands and Surveys Department time and again lost out, and the employees of the department would recognise that. They probably have recognised that point for some years now, but this exercise will give them the opportunity to make sure that it does not happen again. The department may be a little leaner, but I am certain it will be much more effective and efficient.

In regard to the department's future, until recently the Government decided that the information system which is currently based in the computing section of the office of the Minister for Industry and Technology should be transferred to the new Department of Lands Administration and this will happen over the next couple of weeks. This move is indicative of the fact that some recognition is being paid to the role of the Lands and Surveys Department and the part that the employees of the department can rightly play. It is in fact a recognition by the Government that those employees are capable of taking on these additional and very worthwhile tasks.

Certainly the member for East Melville commented about the great and dramatic changes that have taken place in his profession and in the cartography profession over recent years. There is no doubt that, apart from communications, one of the greatest changes that has taken place in the area of new technology has been in the survey cartography area. The department has found it a little difficult to keep up with these changes. One of the reasons for that is that it has not had the resources available to it to keep up.

I take on board also the comments by the member for East Melville about charging ahead and buying up all the new technology. I realise that it is difficult to keep up with it. We should enter into a partnership with private enterprise to get the best of both worlds, not only from the point of view of the public servants, but also from the point of view of people in private enterprise who want to be involved.

Mention was also made of the title of Surveyor General. I have been contacted by a number of old-time surveyors who were distressed that we were doing away with that title. I suppose, as a person who has a great deal of respect for history, I do not want to be seen to

be the one doing away with that title, but that will be the case. As mentioned by the member for East Melville, the role of Surveyor General has changed dramatically from the early days of Septimus Roe and probably also from the days of Morgan. In the last couple of years there has been an Acting Surveyor General. I think that such will be the changes in that area of the department, that position really bears no relationship to the people who carried the title before and with what the old-time Surveyor Generals did or even with what Surveyor Generals of only a few years ago did. We would not be doing the right thing by Septimus Roe and those who followed him to have that position filled by someone in name only with all of us knowing full well that the person who holds that title is not doing the same job as the old Surveyor Generals did. I think the day has gone that we should have a Surveyor General in this State. He carried great and onerous responsibilities involved in the development of Western Australia. A person in the new Department of Lands Administration will take up many of the duties of the Surveyor General but will no longer be called Surveyor General.

Mr Lewis: It is very important that he is technically qualified.

Mr TAYLOR: I agree; there is no doubt about that at all. I believe that the profession now has sufficient maturity to look after itself. There is no need now for a Surveyor General to be a guiding light and looking over the profession and caring for it. The profession has got itself together.

Mr Laurance: One of the dangers of hanging onto the title is that you retain the history but also retain a lot of the undesirable things about it too.

Mr TAYLOR: That is right. A council has been set up by the Institution of Surveyors. It is to be called the Surveying and Mapping Industry Council of Western Australia. The standard aim of the council is to be recognised by all facets of the surveying and mapping industry as a council representative of each unique participant in the industry and hence to develop a stance which will ensure that the industry continues to grow and be readily able to successfully adapt to the changing pressures of technology in Government. I think that the council and the people involved in the three groups I mentioned at the beginning of my speech have sufficient concern for their profession, for their future, and for the way the public and Government look upon them, that they should be able

to govern themselves. They are mostly capable of governing themselves and that is what should happen.

Mention was also made of the decision to be faced by the department relating to accommodation. I was a little sad to see that the Lands Building has been put on the backburner. It is quite a dramatic building which was designed for that site in Hay Street. It is a building that would meet the needs of land administration in this State for many years to come. There is no doubt in my mind that a new building will be constructed. Whether it will be built while I am still Minister for Lands I do not know. However, there is no doubt that it should be built. It may be an opportunity for the building to be constructed by private enterprise and leased back to the Government.

I see a great need for the new Department of Lands Administration to move out of its many scattered buildings all over the metropolitan area and move into one building. Whether it will be a new building or a Government building that is vacated by another Government department over the next year or so I do not know. Certainly, I believe, as Minister, that if a department is to function in an efficient and effective way, such a move is long overdue.

I would like to amend the motion. However, prior to moving the amendment I wish to say that I am happy to discuss these matters with members opposite on a more personal basis. I am also prepared to discuss the functional review committee's role and other matters raised about the involvement of private enterprise in the workings of the department. A recommendation of the committee is that we consider seriously how much involvement can be given to private enterprise, particularly in the surveying and mapping areas. That will be seriously considered.

As far as the industry is concerned, I agree that we should look seriously at exporting some of the great talent that we have. The member for East Melville mentioned the talent which had been used around the world. He referred to some that worked in the department in the time of my two predecessors, workers who have since gone to countries in South-East Asia, which countries have taken a great interest in their work.

Amendment to Motion

I move—

To delete all words after the word "Surveys" in line 3 of the motion.

MR LAURANCE (Gascoyne) [10.59 p.m.] I thank the Minister for his response. Although the Minister's amendment removes paragraphs (a), (b), and (c) from the motion, we have been able to bring out the many points we wanted brought out and the Minister has responded satisfactorily to them. We would still like to have some involvement with Mr Campbell. Perhaps an arrangement can be made for us to have a meeting with him. We accept the offer made by the Minister about private cooperation between him and the Opposition. We do not want to put the point that we have to be

contacted in an official way. We realise that it would not be proper although we sought that, and for those reasons we accept the Minister's amendment.

Amendment put and passed.

Motion, as Amended

Motion, as amended, put and passed.

House adjourned at 11.01 p.m.

QUESTIONS ON NOTICE

DR LIZ HARMAN

Government Position

641. Mr HASSELL, to the Minister for Planning:

- (1) What positions with the State Government, or its agencies, are currently held by Dr Liz Harman?
- (2) What remuneration and allowances are payable in respect of each of them?
- (3) What contractual or consultancy arrangements apply between the same person and the Government or its agencies?
- (4) If any, in respect of what tasks or advice?
- (5) What remuneration and allowances are payable in respect of each?

Mr PEARCE replied:

- (1) She is a part-time member of the State Planning Commission.
- (2) \$3 000 per annum for attendance at commission meetings. In addition she has been paid at the rate of \$40 per hour for commission work additional to the annual sitting fee. This work was of a temporary nature, and will cease with the filling of executive positions in the commission.
- (3) Dr Harman is undertaking a consultancy with the Office of the Deputy Premier and Minister for Industry and Technology. She was employed on 30 April 1986.
- (4) The consultancy deals with the following issue—
Academic industry interface: a policy for the management of intellectual property rights in Western Australia.
- (5) \$24 500.

TRANSPORT: POLICY

Booklets: Distribution

681. Mr RUSHTON, to the Minister for Transport:

- (1) What was the number of Government transport policy booklets issued shortly before the 1986 State election—

(a) produced;

(b) distributed?

- (2) To whom were the booklets distributed?
- (3) What was the cost of—
(a) producing the booklets;
(b) distributing the booklets?
- (4) Were any of these booklets used and associated with a number of Labor candidates in their electorate campaigns?
- (5) If "Yes" to (4), how many of these booklets were used for this purpose?
- (6) Were the booklets listed in (5) paid for by the Government?

Mr TROY replied:

- (1) (a) 26 000;
(b) 24 000.
- (2) I understand copies were distributed to transport departments and agencies, members of Parliament, and to the rural sector.
- (3) (a) \$19 016;
(b) this cannot reliably be established at this stage.
- (4) Not to my knowledge.
- (5) and (6) Not applicable.

WATER RESOURCES

Bunbury Water Board: Fluoridation

699. Mr BRADSHAW, to the Minister for Health:

- (1) (a) Is he going to direct the Bunbury Water Board to fluoridate the Bunbury drinking water;
(b) if so, when;
(c) if not, why not?
- (2) If "Yes" to (1) (a), who will pay for the supply and installation of equipment to fluoridate the water?

Mr TAYLOR replied:

- (1) and (2) There is no doubt the failure of the Bunbury Water Board to fluoridate disadvantages the dental health

of children in Bunbury and this is reflected in the following table—

The amount of restorative treatment carried out at Bunbury/Busselton Dental Therapy Centres compared with dental therapy centres in Perth.

Year	Number of Restorations per 1 000 children		Percentage Difference
	Perth*	Bunbury/Busselton	
1983	1 014	1 345	33
1984	865	1 244	44
1985	821	1 162	42

*Random sample of Metropolitan Dental Therapy Centres.

The Government is aware of the cost of fluoridation and this will be considered when a decision is made.

HEALTH: HOSPITAL

Bunbury Regional: Elective Surgery

702. Mr BRADSHAW, to the Minister for Health:

- (1) (a) Is there a waiting list at the Bunbury Regional Hospital for elective surgery or any other surgery or procedure;
- (b) if so, to what extent?
- (2) If "Yes" to (1) (a), is anything being done to overcome the problem?
- (3) (a) Is there a waiting list for elective surgery at any other country hospital in Western Australia;
- (b) If so, which?

Mr TAYLOR replied:

- (1) (a) No;
- (b) not applicable.
- (2) Not applicable.
- (3) (a) and (b) It is not normal for such hospitals themselves to maintain waiting lists. Doctors maintain personal lists and advise the hospital shortly prior to seeking admission.

PARLIAMENT HOUSE

Dining Room: Community Lunches

707. Mr CRANE, to the Premier:

- (1) When did the Government commence the practice of holding community lunches in the parliamentary dining room?
- (2) Who instigated them?

(3) What is the criterion used for gauging the eligibility of those invited to attend these lunches and who sends the invitations?

(4) How many lunches have been held to date?

(5) What has been the total cost to date?

(6) Who meets the cost of these lunches?

Mr BRIAN BURKE replied:

(1) to (3) The Government commenced the practice of holding community lunches in March 1985 as an attempt to increase the level of interaction between the Government and the many diverse interest groups in our community. The lunches are an ideal forum for community organisations to put their views to the Government. Many of the people who have attended have served the community in a volunteer capacity and the lunches provide an opportunity for the Government to recognise their contribution. The principals of many of these organisations have indicated their strong support for this recognition of their members.

(4) 64.

(5) \$25 020.

(6) The Department of the Premier and Cabinet.

LAND

Agricultural: Valuations

708. Mr SCHELL, to the Minister representing the Minister for Budget Management:

(1) What is the criterion used by the Valuer General in assessing agricultural land values?

(2) What is the estimated fall in values in—

(a) the eastern wheatbelt;

(b) the central wheatbelt?

(3) Do—

(a) the State Taxation office; and

(b) the Rural Adjustment and Finance Corporation, use the value determined by the Valuer General?

(4) If not, what values are used by each?

(5) Why is not an averaging system used over ten years?

Mr BRIAN BURKE replied:

The Valuer General has advised as follows—

- (1) Values are based on the analysis of the sales of agricultural land at the relevant date.
- (2) The following falls have occurred since the peak in 1982—
 - (a) Eastern wheatbelt—rainfall 300-350mm—50 per cent to 60 per cent;
 - (b) central wheatbelt—rainfall 350-750mm—30 per cent to 40 per cent.
- (3) Yes.
- (4) Not applicable.
- (5) An averaging system would mean that current market conditions would not be fully reflected in the valuation.

EDUCATION: PRIMARY SCHOOL

Oakford: Costing

710. Mr RUSHTON, to the Minister for Education:

- (1) Adverting to question 648 of 2 July 1986, will he please advise me the itemised detail of the estimated cost of establishing a replacement school on a new site in Oakford which the Government has said would cost about \$1 million as follows—
 - (a) land;
 - (b) buildings;
 - (c) services?
- (2) Will he please let me have a plan of the proposed school which was to be built on the new site?
- (3) Will he please let me have the following particulars of the proposed school, including cost of—
 - (a) number of classrooms;
 - (b) additional building facilities;
 - (c) school oval development?
- (4) Will the Government consult with the parents of children attending Oakford school before deciding which alternative to implement?

Mr PEARCE replied:

- (1) (a) \$35 000;
- (b) \$792 340;
- (c) \$142 820.

(2) Yes.

- (3) (a) Three;
- (b) administration area, practical area, small resource area, covered area, netball court;
- (c) grassed area approximately 100m x 70m.
Costings on the individual items are not available.

(4) Yes.

PASTORAL LEASES

Millstream Station: Expenditure

712. Mr NALDER, to the Honorary Minister assisting the Minister for Aboriginal Affairs:

- (1) Since the purchase of Millstream Station, what has been the expenditure of public moneys on the station?
- (2) What number of cattle were on the station at the time of purchase?
- (3) Have any cattle been sold since the station was purchased?
- (4) If "Yes" to (3), what were the numbers sold annually and their value?
- (5) Are any intended to be sold in the near future?

Mr BRIDGE replied:

- (1) Approximately \$462 500 has been spent to 30 June 1986.
- (2) The actual number is not known.
- (3) Yes.
- (4)

	Cattle Sold	Value \$
1982 muster	1 348	105 000
1983 muster	2 246	199 000
1984 muster	1 647	162 000
1985 muster	855	76 610

- (5) Approximately 200 cattle remain on Millstream Station and they are to be mustered and sold later this year.

MS HELEN MacFARLANE

Government Employment

713. Mr HASSELL, to the Minister for Employment and Training:

- (1) When did the Government first engage Helen MacFarlane of MacFarlane Research Pty Ltd?

(2) What are the terms of the engagement?

(3) What payment of—

(a) remuneration;

(b) allowances,

has been made in the past year?

(4) What has been achieved?

Mr PETER DOWDING replied:

(1) to (4) An answer will be forwarded to the member in due course.

TOURISM

Development: Cape Leveque

715. Mr HASSELL, to the Minister for Employment and Training:

(1) Referring to his answers to question 642 of 1986 concerning proposals for a tourist development at Cape Leveque, from whom was the feasibility study referred to by him received?

(2) When will a decision be made in relation to items (3) to (8) inclusive of question 642 of 1986?

(3) Will the decision as to whether tenders be called, which he has described as a matter for commercial consideration, be made by the Government or some other organisation, and if the latter who or which?

(4) Did the Government engage MacFarlane Research Pty Ltd?

(5) What—

(a) fee or payment;

(b) expenses,

were paid or charged by MacFarlane Research Pty Ltd?

(6) Who is the owner of the feasibility study referred to by him?

(7) Is the project expected to be profitable?

Mr PETER DOWDING replied:

(1) to (7) An answer will be forwarded to the member in due course.

PLANNING

Liaison Committee: Meetings

717. Mr RUSHTON, to the Minister for Planning:

On what dates did his liaison committee meet during the past 12 months?

Mr PEARCE replied:

During 1985-86 financial year the committee met on—

16 August 1985

9 September 1985

17 September 1985

14 October 1985

26 November 1985

24 December 1985

7 March 1986

7 May 1986

20 June 1986

The next meeting is scheduled for 22 July 1986.

GOVERNMENT EMPLOYEES

Flexitime: Complaints

719. Mr MacKINNON, to the Premier:

In view of the fact that in his speech he said that his action against the Public Service Board flexitime resulted in complaints from management, would he—

(a) explain the nature of those complaints;

(b) list the departments to which those complaints refer?

Mr BRIAN BURKE replied:

(a) Unavailability of personnel when urgent problems arise and doubts expressed concerning the cost effectiveness of flexitime are the major complaints;

(b) informal complaints have been made through various industrial forums including the Government industrial relations advisory and coordinating committee which is composed of representatives of most public sector employers.

Also the Treasury Department has formally expressed reservations on the question of maintaining productivity

and services on a no additional cost basis.

NATIONAL SERVICE

Premier's Support

720. Mr MacKINNON, to the Premier:

- (1) Does he recall in February 1985 having given his support for a return to a form of national service?
- (2) If so, what action, if any, has he taken to transmit that support into action?

Mr BRIAN BURKE replied:

- (1) Yes.
- (2) A letter has been sent to the Prime Minister suggesting a voluntary national work experience scheme in which the participants were paid the dole and the State contributed an additional \$20 a week.

The Government has also established the Westrek scheme, aimed at improving job prospects for young people by developing their work skills. The scheme helps volunteers gain confidence and self-esteem while working on community projects.

WATER AUTHORITY

Corporate Advertising

721. Mr MacKINNON, to the Honorary Minister assisting the Minister for Water Resources:

- (1) When will the Western Australian Water Authority cease its corporate advertising?
- (2) What is the budget for the Western Australian Water Authority's advertising in 1986-87?

Mr BRIDGE replied:

- (1) In light of the Premier's economic statement, all paid media segments by the Water Authority are under review.
- (2) The budget for 1986-87 has not been finalised.

OFFICE OF REDEPLOYMENT AND TRAINING

Staff

725. Mr MacKINNON, to the Premier:

- (1) How many people are currently permanent employees of the Office of Redeployment and Training?

- (2) How many unattached officers are currently allocated to that office?
- (3) Will he provide me with a breakdown of which departments those unattached officers are currently allocated to?

Mr BRIAN BURKE replied:

- (1) 16.
- (2) 151 as at 7 July 1986.
- (3) Aboriginal Affairs Planning Authority, 1; Agriculture Department, 5; America's Cup Office, 1; Art Gallery of Western Australia, 2; Building Management Authority, 8; Department of Community Services—Bureau for the Aged, 2; Department of Computing and Information Technology, 2; Department of Conservation and Environment, 1; Department of Conservation and Land Management, 6; Department of Consumer Affairs, 2; Education Department, 10; Electoral Department, 1; Department of Employment and Training, 3; Fisheries Department, 2; Fremantle Port Authority, 1; Health Department of Western Australia, 5; Homeswest, 5; Hospitals, 7; Department of Industrial Affairs, 2; Department of Industrial Development, 6; Authority for Intellectually Handicapped, 1; Land Information System Support Centre, 1; Department of Lands and Surveys, 3; Mines Department, 1; Department of Marine and Harbours, 2; North West and Regional Development Authority, 1; Department of Occupational Health, Safety and Welfare, 3; Office of Government Accommodation, 1; Office of Industrial Relations, 1; Office of Racing and Gaming, 1; Parliament House, 3; Police Department, 3; Department of Premier and Cabinet, 1; Prisons Department, 3; Public Service Board, 3; Resources Development Department, 1; Rural Adjustment Authority of Western Australia, 1; Department of Services, 1; South West Development Authority, 2; Department for Sport and Recreation, 1; State Engineering Works, 1; State Planning Commission, 2; Superannuation Board, 4; Town Planning Department, 1; Water Authority of Western Australia, 1;

Western Australian College of Advanced Education, 1; Westrail, 17.

Retraining: Perth Technical College, 1; Western Australian College of Advanced Education, 1; Workers Compensation, 3; leave without pay, 1; placement in transit, 12.

TAXES AND CHARGES

Fringe Benefits Tax: Government Approach

726. Mr MacKINNON, to the Premier:

- (1) Has the Government made any approach to the Federal Government or the Australian Taxation Office with respect to the fringe benefits tax and its impact upon the State Government and its employees?
- (2) If so, to whom were those approaches made?
- (3) What was the nature of that approach?

Mr BRIAN BURKE replied:

- (1) Yes.
- (2) The Prime Minister and the Federal Treasurer and, at office level, the Australian Taxation Office.
- (3) Approaches were made in respect of the following—
 - (i) requests for tax payments to be treated so as to have a neutral effect on the State's finances, just as in the Commonwealth's own situation; and
 - (ii) that the concessions provided for remote area employment be increased.

SUPERANNUATION BOARD

Perth Technical College Site: Purchase

727. Mr MacKINNON, to the Treasurer:

How much has the Superannuation Board to date contributed towards its 50 per cent interest in the Perth Technical College site?

Mr BRIAN BURKE replied:

\$17.5 million.

ENVIRONMENT

Peel Inlet Management Authority: Membership

732. Mr BRADSHAW, to the Minister for the Environment:

What are the requirements as to the composition of the membership of the Peel Management and Leschenault Inlet Management Authorities?

Mr HODGE replied:

I refer the member to section 14 of the Waterways Conservation Act 1976-1980.

MINERALS: NICKEL

Agnew Mining Co Ltd: Losses

733. Mr LIGHTFOOT, to the Minister for Minerals and Energy:

- (1) In view of the continued losses being made by the Agnew Mining Co Ltd, would he consider urgently—
 - (a) the immediate deregulation of the transport of the ore concentrates between Leinster and the Kalgoorlie smelter;
 - (b) the temporary forgoing of all State royalties;
 - (c) the extension of the Kalgoorlie State electricity grid to Leinster, if feasible;
 - (d) the purchase of the school, nursing post, and police station by the State?
- (2) Is he now in a position to advise which State Batteries will be closing under its recently announced scheme?

Mr PARKER replied:

- (1) Detailed discussions have been held for some time and are currently being held with the Agnew joint venture participants to identify alternative means by which the Government might assist to reduce the unit costs of production of the mine and hence ensure its long term viability. Transport arrangements, royalties, and extension of power supplies have all been considered in this context. As these discussions are still proceeding, I am not at liberty to divulge details at this stage.
- (2) No. The detailed proposals for the future of the State Batteries have yet to be finalised.

GOVERNMENT EMPLOYEES*Temporary: Termination*

736. Mr CASH, to the Premier:

How many temporary employees' services have been terminated during the period—

(a) in the week prior to his economic statement and delivered to the House on Tuesday, 24 June 1986;

(b) since 24 June 1986?

Mr BRIAN BURKE replied:

(a) 5;

(b) 38.

HOUSING: LAND*North Fremantle: Purchase*

737. Mr HASSELL, to the Minister for Housing:

(1) When did Homeswest purchase the following sites in North Fremantle and what were the individual purchase prices—

(a) Thompson Road—ex engineering works;

(b) Burford Place;

(c) Harvest Road—ex ice works;

(d) Thompson Road—ex fire station?

(2) What was the lowest tender price for the 22 two-bedroom units, 10 three-bedroom units, and 6 one-bedroom units that were proposed for Thompson Road—ex engineering works—North Fremantle?

Mr WILSON replied:

(1) (a) August 1985 \$693 000;

(b) May 1985 \$140 000;

(c) November 1984 \$190 000;

(d) July 1979 \$75 000.

(2) \$2 543 000.

ENERGY: LIQUEFIED PETROLEUM*Gas: Cost*

742. Mr LIGHTFOOT, to the Minister for Minerals and Energy:

(1) What is the retail cost per litre of liquefied petroleum gas in all mainland States?

(2) What is the total taxation component of liquefied petroleum gas in Western Australia?

Mr PARKER replied:

(1) Typical retail prices of LPG for automotive use are as follows—

Adelaide—24.9 cents per litre

Brisbane—29.0 cents per litre

Sydney—28.9 cents per litre

Perth—29.4 cents per litre

Melbourne—21-27 cents per litre.

Prices in country centres will vary depending upon distribution costs.

(2) There is no tax upon liquefied petroleum gas in Western Australia.

HEALTH: NURSES*Conditions: Negotiations*

748. Mr HASSELL, to the Minister for Health:

(1) What is the expected cost of the pay and conditions deal currently being negotiated with nurses, assuming the recent Eastern States' decision is followed?

(2) Was the estimated cost included in the budget "gap" announced by the Premier in his recent statement?

Mr TAYLOR replied:

(1) and (2) Only one meeting has taken place with the RANF on its claim of 25 June. This meeting dealt with one aspect of the claim, the proposed "clinical career structure".

The RANF proposal for a "clinical career structure" in Western Australia requires evaluation against the scheme which is being implemented in Victoria and the scheme proposed for New South Wales.

Until a decision is made on this, a firm costing of the claim cannot be made.

BREAD ACT*Amendments*

751. Mr LEWIS, to the Minister for Industrial Relations:

(1) Was a meeting between officers of his department and representatives of the bread industry held on 10 June 1986 to discuss the possibility of amendments and changes to the Bread Act?

- (2) With the recent tabling of the Kelly report on the inquiry into retail trading hours, will he advise whether the recommendations therein will initiate amendments to the Bread Act?
- (3) If the answer to (1) or (2) above is "Yes", will he advise what changes or amendments he has in mind for the baking, distribution, and sale of bread?
- (4) If changes are to be made to the Act, when will they be presented to the Parliament for amendment?
- (5) If changes are to be made will the proposed changes be discussed with the industry prior to the drafting of the amending legislation?

Mr PETER DOWDING replied:

- (1) Yes.
- (2) No.
- (3) Decisions are still to be taken.
- (4) Most likely during the spring session.
- (5) If decisions contrary to the recommendations of the industry meeting of 10 June 1986 are taken, yes.

CEMETERIES

Crematoria: Urn Recycling

754. Mr LAURANCE, to the Minister for Local Government:

- (1) Is it the policy of crematoriums in Western Australia to remove the ashes after a period of years and "recycle" the urns or repositories?
- (2) Is it a fact that this period of years that the ashes have to be retained is—
 - (a) 25 years at Karrakatta;
 - (b) 25 years at Fremantle;
 - (c) 50 years at Bunbury?
- (3) When was this policy introduced?
- (4) Have any remains actually been removed as a result of this policy?
- (5) If "No" to (4), when will it be possible for remains to be removed in this way?
- (6) Why was it necessary to introduce such a policy?

Mr CARR replied:

- (1) There is no overall policy in respect of the period of tenure for urns or repositories for ashes.

(2) Karrakatta is the only cemetery with a specified tenure. A 25-year limit was imposed by an amendment to the Karrakatta cemetery by-laws on 6 November 1981.

(3) Answered by (1) and (2).

(4) No.

(5) In the year 2006.

(6) I am not aware of the reasons or the background to the approval to amend the Karrakatta cemetery by-laws.

ROAD BUILDING

Water Supplies

755. Mr LAURANCE, to the Minister for Transport:

- (1) What is the policy of the Main Roads Department toward obtaining water for road building purposes when the water required has to be obtained from pastoral properties adjoining the road?
- (2) Does this policy differ in respect of bores, dams, or windmills?

Mr TROY replied:

- (1) The department obtains water for road building purposes from several different sources within pastoral properties adjoining roads.

The policy is to observe the obligations related to entry and use of the land. Notice is served on the landowner and any reasonable objection will receive careful consideration.

On completion of its activities the department will be responsible for tidying up and making good any damage to improvements which may have occurred during its operations.

The department frequently establishes water bores for particular projects following agreement with the pastoralist.

(2) No.

TRANSPORT: BUSES

School: Hire Rates

756. Mr LAURANCE, to the Minister for Transport:

When will he be in a position to make available the schedule of school hire rates for Metropolitan Transport Trust buses he referred to in answer to question 331 on 18 June 1986?

Mr TROY replied:

Correspondence on this matter left my office this morning.

STOCK

Imports: Stud Breeding

757. Mr EVANS, to the Minister for Agriculture:

(1) How many—

(a) cattle;

(b) sheep,

were imported into Western Australia from other States for stud breeding purposes in 1985-86?

(2) How many—

(a) cattle;

(b) sheep,

were imported into Western Australia from other States for fattening or immediate slaughter in 1985-86?

(3) How many—

(a) goats;

(b) deer;

(c) horses;

(d) pigs,

were imported into Western Australia in 1985-86?

Mr GRILL replied:

(1) (a) 1 592 including 418 to the Kimberleys;

(b) 4 835.

(2) (a) 18 791 including 15 281 to the Kimberleys; an additional 6 330 store cattle entered the Kimberleys, which included some breeders;

(b) nil.

(3) (a) 1 297;

(b) 213;

(c) 1 004;

(d) 225.

INFANT HEALTH CLINICS

Albany

759. Mr WATT, to the Minister for Health:

(1) How many infant health clinics are located in Albany?

(2) How many sisters operate the clinics?

(3) How many days per week does each clinic operate?

(4) What is the preferred staffing level?

(5) How many parents and babies has each sister seen at each clinic for each month of 1986?

(6) How many new babies have been seen by each clinic sister for each month of 1986?

(7) How many birth notifications were recorded in Albany for the same period?

(8) How many telephone consulting calls were received by each sister in the period?

(9) What are the duties of the infant health sister?

(10) Does the Government have a policy to allow other groups to use the clinic during hours when infant health clinics would normally be held?

Mr TAYLOR replied:

(1) Three.

(2) Normally three, but at present time only two.

(3) Albany I—4 days per week.

Albany II—4 days per week.

Albany III—Normally four days per week, but since March one day per week.

(4) Three nurses.

(5)

	Albany I	Albany II	Albany III
January	187	219	130
February	258	245	100
March	126	188	65
April	198	275	*
May	282	230	*
June	155	243	*

*No figures available

(6)

	Albany I	Albany II	Albany III
January	17	20	10
February	22	12	7
March	26	15	10
April	22	10	**
May	18	11	**
June	10	7	**

**No figures available some clients attending centres I and II.

(7) Total number of birth notifications for all three clinics in Albany, January-June 247.

(8) Telephone calls, January-June 1986:

Albany I—890

Albany II—709

Albany III—302—237 from January to March clinic only open 1 day per week since March.

(9) Duty Statements tabled.

(10) Groups do not use the centres when a clinic would normally be held. However, mothers' groups, play groups, committees, etc., may have access to these buildings at other times.

(See paper No. 271.)

LAND: NATIONAL PARKS

Film-makers: Fees

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

Will the Department of Conservation and Land Management impose fees for commercial film-makers who use locations in national parks and reserves?

Mr HODGE replied:

The Department of Conservation and Land Management is presently considering this matter.

MRS PENNY VALENTINE

Passport: Government Assistance

761. Mr COURT, to the Acting Premier:

(1) Was the State Government asked to assist former Premier Frank Wise's daughter in overcoming problems with the Australian Embassy in Pretoria so she could attend her father's funeral?

(2) If "Yes", what action was taken?

(3) Are other Western Australians also experiencing difficulty with the Australian Embassy in Pretoria?

Mr BRYCE replied:

(1) No.

(2) Not applicable.

(3) Not to my knowledge.

ROAD

Eyre Highway: Improvement

763. Mr COURT, to the Minister for Transport:

(1) What tenders has the Main Roads Department won for the improvement of the Eyre Highway in the past two years?

(2) What were the tender prices?

(3) What were the actual costs of completing these tenders?

Mr TROY replied:

(1) The widening of 63 km of roadway including 3.8 km of reconstruction near Cocklebidy.

(2) The department's tender price was \$4 609 245. Two other higher tenders were received.

(3) Because the Main Roads Department is acting as a contractor in competition with other contractors, I believe this information should be regarded as confidential.

WATER POLICE

Land Vesting

767. Mr CASH, to the Honorary Minister assisting the Minister for Police and Emergency Services:

(1) What legislative action is required to vest the land intended to comprise the water police facility at North Fremantle?

(2) Is it intended to utilise the Reserves and Land Revestment Bill 1986 as the legislation to effect the necessary change?

Mr GORDON HILL replied:

(1) Answered by (2).

(2) Yes.

QUESTIONS WITHOUT NOTICE

MIDLAND ABATTOIR

Sale: Ministerial Authority

144. Mr HASSELL, to the Minister for Agriculture:

I refer the Minister to my question yesterday regarding the sale of the Midland abattoir and saleyard complex, and ask—

(1) Has he now made inquiries as to the ownership of the land?

(2) Did those inquiries reveal that the land in question is a Crown reserve which in March 1954 was vested in the Midland Junction Abattoir Board, subsequently the Western Australian Meat Commission?

- (3) Did those inquiries also reveal that the Minister for Agriculture has no authority under either the Abattoirs Act or the Land Act to dispose of the Crown reserve in question?
- (4) If "Yes", will the Minister, in view of the considerable public concern about the sale of the land, now take steps to ensure that the land is offered in the proper manner and through either public auction or public tender?
- (5) If "No," will the Minister detail his intentions in this matter?

The SPEAKER: Before the Minister for Agriculture replies I ask the Leader of the Opposition if he has given any indication at all of this question to the Minister?

Mr Hassell: This is a question without notice.

The SPEAKER: If the Leader of the Opposition is genuine in seeking a reply I point out that it is difficult for a Minister to reply in detail to a question without notice in five parts.

Mr GRILL replied:

- (1) I have had some preliminary inquiries made in respect of the question the Leader of the Opposition asked last night.
- (2) and (3) Those inquiries reveal that there is no substance in the assertions the Leader of the Opposition is making. However, I have also asked that the matter be referred to the Crown Law Department and when I receive an opinion from that department I will advise the Leader of the Opposition.
- (4) and (5) It is not true that there is great public concern about the sale of this abattoir. There is great concern among a few people—people very closely associated with the Liberal Party—and that is about all. There is virtually no concern in the area where one might expect some concern, namely, Midland. In fact, the people in that area treat the matter as a great yawn.

As to the continual exhortations from the Leader of the Opposition that the Government should resort to tender to sell this land, I remind him that his

own Government, of which he was a part in 1982, sold part of this establishment not on the basis of tender or auction but on the basis of private treaty. The values of land were set by the Government prior to sale and without any of the other so-called safeguards that the Leader of the Opposition is now exhorting me to adopt.

In addition I point out to the Leader of the Opposition that in the debate held in this place last week in relation to this matter and in the debate partially completed in the upper House, the Liberal party has not been able to come up with one shred of evidence of any improper dealing in relation to the sale of this land. It has not been able to come up with any valuation and has not been prepared to make available the so-called estimate of value that it has been touting to the Press in a selective fashion in the last few weeks which in no way impugns the very detailed valuation made by Baillieu Justin Seward. Until such time as the Opposition comes forward with one iota of evidence which impugns the valuation made by Baillieu Justin Seward, backed up largely by the Valuer General, I do not think it has any need to whip up public concern or cast doubts upon validity of the sale.

TECHNOLOGY DEVELOPMENT AUTHORITY

Associated Benefits Programmes

145. Mr D. L. SMITH, to the Minister for Industry and Technology:

Would the Minister please explain the progress of the associated benefits programmes currently being managed by the Technology Development Authority?

Mr BRYCE replied:

Members may recall the acquisition last year of mainframe computing equipment for the Departments of Police, Health, Education, and Computing and Information Technology. The decision was made to award a global tender for all that equipment. This resulted in a final contract price of some \$37.4 million, a significant

saving of \$14.1 million on the list price of the equipment.

In addition to that discounted saving the Technology Development Authority negotiated associated benefit packages with the successful tenderers, IBM and Amdahl, in what has proved to be an extraordinarily successful innovation in Government policy in this field. Under the associated benefit contracts three components were negotiated by the TDA. The first was a software support programme, under which IBM will supply \$3 million of software education and skills to industry over a five-year period, plus a commitment to develop or acquire software in Western Australia to the value of \$7 million over that period.

The second was a local hardware manufacture and procurement programme, under which IBM will supply a project manager, education programmes and spend approximately \$300 000 over a three-year period, with a commitment to purchase or market locally-produced goods to a value of \$3 million over that period.

The third was an information and communications technology programme under which Amdahl will supply a project manager, education programmes and spend approximately \$300 000 over a three-year period, with a target of purchasing or marketing locally produced goods worth \$3 million over the period.

Some very important progress has been achieved and I draw it to the attention of members because the actual progress achieved constitutes a very valuable innovation in this field in WA.

Under the first programme a contract was awarded in April this year to a local company, Australian Technology Resources, worth approximately \$500 000. A number of other software development contracts are currently under consideration by the TDA and IBM. Talks will be held with tertiary institutions and local industry to ensure the programmes developed are of maximum advantage to industry.

In the second programme, a project manager was appointed in January; 46 operations have since been visited; a seminar with visiting speakers from Japan has been held on printed circuit board technology and quality; and a quality survey of a local printed circuit board manufacturer has been conducted in conjunction with the visiting Japanese experts.

In respect of the final programme Amdahl has engaged the services of a high technology consultant from San Francisco to work with local industry over the three-year period. Some 15 local companies are now working with the consultant and he has delivered a wide range of consulting services relating to manufacturing techniques and marketing advice.

Purchasing and marketing elements should be activated in the short term as a result of the liaison with the local companies. The consultant in question has very significant experience in the field of development of high technology companies and he is well received by local industry.

The associated benefits programme negotiated by the Technology Development Authority is extremely innovative and represents a first by any State Government in Australia.

THE SPEAKER: Before I call the next member, I want to draw the attention of members to a point which I made earlier in the sitting. A general agreement was reached that the time allowed for questions without notice would be only half an hour. On two occasions now the answers have taken 10 minutes to come to their conclusion. It is my opinion that that is too long in general terms.

ELECTORAL REFORM

Legislation: Defeat

146. Mr COURT, to the Minister for Parliamentary and Electoral Reform:

I refer to the letter of resignation of the former Minister for Police and Emergency Services in which he said that his Cabinet colleagues had conspired to ensure the defeat of the Government's electoral reform legislation.

- (1) Are those allegations correct?
- (2) If "Yes", why did the Government conspire to ensure that its own legislation was defeated?
- (3) If "No" to (1), why has the Government taken no steps to deny the allegations by the former Minister for Police and Emergency Services?

Mr BRYCE replied:

- (1) to (3) Mr Speaker, with a great deal of concern for your concern about the length of question time, let me be very brief and say that before I answer the member for Nedlands, I would like to read the letter of the former Minister for Police and Emergency Services. Members in this Chamber have had a little experience in recent times of this member's quoting from a document as the basis for a question. Very rarely does he quote it totally, wholly, or accurately. I look forward to having a look at the letter before I respond to the member's question.

DEFENCE

Equipment: Supply

147. Mr MARLBOROUGH, to the Minister for Defence Liaison:

What is being done to ensure major defence purchasers are aware of the capabilities of the Western Australian industry to supply their needs?

Mr BRYCE replied:

This is probably as much for the benefit of the member for Nedlands, who has demonstrated a churchillian interest in defence in the last six months, as it is for the member for Cockburn who, of course, has a life-long interest in defence.

The Department of Industrial Development has undertaken a thorough review of the defence industry's capabilities in Western Australia and this has shown the need to market our capabilities. In this respect, the department recently produced a very expensive "capability directory" covering almost 200 Western Australian companies.

This has been provided to personnel who make purchasing decisions for the Commonwealth Department of

Defence. The directory is also to be provided to major contractors as well as to prospective builders of the new Australian submarines.

I have brought a copy of the directory with me and I would very much like to table this quite remarkable document for the information of all members, but particularly for the benefit and information of the member for Nedlands. I am sure it would provide him with some very useful reading.

The SPEAKER: I ask the Minister whether he would like it tabled for the remainder of the day, for a week, or for the rest of the sitting.

Mr BRYCE: A week would be a reasonable period.

(The document was tabled for the information of members.)

ELECTORAL REFORM

Legislation: Defeat

148. Mr COURT, to the Minister for Parliamentary and Electoral Reform:

Further to my previous question, is the Minister aware that the second paragraph of the letter reads as follows—

To hear my colleagues say, as they did in Geraldton on Sunday night, that we must make absolutely sure that the bill, which will contain the promises we had made to the people at the election, is defeated was to hear betrayed all that I have tried to stand for as a member of the Australian Labor Party. The fact that I made the promise on the part of the Government makes my own position untenable.

Can the Minister now answer the previous question put forward?

Mr BRYCE replied:

The member for Nedlands thinks that I will be suckered into answering a question when in fact I have already said that I will answer it when I have had an opportunity to read the letter. I have not even seen the letter, frankly—although I have seen excerpts of it in the media—

Mr Court: He is the Minister for widgies and electoral reform.

Mr BRYCE: The member for Nedlands has no credibility whatsoever when it comes to using other people's documents as the basis for his questions because he only uses them in part. I could not even trust the member for Nedlands to read what he has in front of him, which purports to be the whole letter, based on his previous performances in this place. When I have had a look at the whole letter, I will be happy to answer it.

Mr Speaker, I know that you would not like me to engage in anything remotely resembling a debate about a Bill that is listed for consideration in a matter of weeks, so I think the member for Nedlands must put his question on the notice paper and let me have a look at the letter and I will be happy to give him a considered reply.

TRANSPORT: BUSES

School: Committee of Inquiry

149. Mr SCHELL, to the Minister for Education:

- (1) Was the department's school bus review committee set up at the request of country parents?
- (2) If "Yes", why are they not included on the original committee with full voting powers rather than being coopted?

Mr PEARCE replied:

- (1) and (2) The committee was not set up at the request of country parents. It was set up at my request on the basis that over my time of dealing with a whole range of people in the school bus industry, I think the time had come to review a number of the rules and regulations which cover it.

The difficulty was that unlike previous reviews, I saw the review as being comprehensive; that is, if we deal with a range of issues which affect country parents and a range of issues which affect the children at non-Government schools, and a range of issues which affect the industry, particularly those of the bus contractors and members of the Road Transport Association. Rather than set up a massive committee representing all those diverse

interests which in my view would have the effect of merely having one group of interests supporting everyone else's interests, so that the net result of the deliberations would be a wish list of every interest group represented without a proper assessment of what can be done and what needs to be done and what the Government's position might be, which would not be very helpful in terms of advice, I set up a small group of people from the Education Department to report to me on changes which might be made to the school bus contract service on the basis that they would consult extensively with each of the interest groups. That is, they would meet with each of the interest groups and hear what they had to say and they would try to get some amalgamation of recommendations to me.

I allowed the committee at its request to coopt, on a consultancy basis, Mr Keith Lockhart, who is the general secretary of the Western Australian Council of State Schools Organisations, not on the basis that he would be representing WACSSO or indeed country parents but rather that he would be a person who has dealt with one aspect of school bus operations over many years, including on a previous committee.

None of the interest groups will miss out in having their requests dealt with, but it seems to me to be a more efficient and effective mechanism rather than having a large committee with every interest group represented trying to fight amongst itself for its respective interests.

MANJIMUP CANNERY

Sale

150. Mr WATT, to the Minister for Industry and Technology:

- (1) Is it correctly reported that Cabinet has agreed to negotiate the sale of the Manjimup cannery for a price of \$1.6 million?
- (2) As the existing debt of \$2.1 million is to be paid out of Consolidated Revenue, from which account is that money to be taken?

- (3) What is the current valuation of the assets of the Manjimup cannery?
- (4) Is the Minister aware that the proposed purchaser will be in competition, in part at least, with the privately financed Southern Processors Pty Ltd, which has purchased the failed Hunts Foods Pty Ltd in Albany, in the area of french fries?
- (5) How is the new Manjimup venture to be financed?
- (6) Although no notice was given of this part of the question, is it to be financed in part by foreign interests?
- (7) Does the Minister agree that the Cabinet decision commits taxpayers' funds to give advantage to one company in competition with another privately-funded company?

Mr BRYCE replied:

- (1) No. The Government is not negotiating the sale as that is a matter between the cannery and the purchaser.
- (2) This is yet to be determined.
- (3) I refer the member to the cannery's 1985 annual report.
- (4) Yes, and I am also aware that Southern Processors Pty Ltd is in receipt of substantial Government assistance.
- (5) Private equity.
- (6) No.
- (7) Both companies are to be privately funded. The funds to be provided by the Government represent the accumulated debts of the cannery and will be given on the proviso that no future demands for financial assistance be made to the Government by either the cannery or the purchaser.

GOVERNMENT TRAVEL

Bookings: Service

151. Mr MacKINNON, to the Minister for Tourism:

- (1) Is the Minister aware that it is extremely difficult for people in Government service to make reservations with the Holiday WA Centre, with some people having to wait up to two days before being able to place reservations?

- (2) Will she undertake immediately to take appropriate action to enable these Government inquiries to be handled efficiently, commensurate with services offered by private travel agents?
- (3) If not, will the Government consider allowing the private sector to bid for this work and so provide an appropriate and cost-effective service to Government?

Mrs BEGGS replied:

- (1) to (3) No, I am not aware that that is the current position at the Holiday WA Centre, but I do know that the Tourism Commission has recently implemented a system of bookings which I understand to be a very effective system. I have asked the commission to prepare for me a cost-benefit analysis which I hope to receive within three months so that I can assess for myself the suitability of all travel arrangements being directed through the Tourism Commission.

Mr MacKinnon: I can assure you those complaints are genuine.

Mrs BEGGS: No complaint has been directed to me. If the complaints were genuine the people concerned should have directed them to the people who could investigate them so that if the investigation found the complaints were genuine, we could address the issue. If these people are to run to the Deputy Leader of the Opposition to complain, they should understand that he is not in a position, I do not think, to ensure that if inadequacies exist they can be rectified.

Mr Taylor: One wonders how genuine they are.

Mr MacKinnon: Obviously the Minister is not concerned that people in Government are having to wait two days.

Mrs BEGGS: I am concerned. Apart from that I understand there are difficulties in regional areas, and I am having that matter addressed by the commission.

Mr MacKinnon: This is the Perth travel centre.

Mrs BEGGS: I have not received any complaints. If the complaints were genuine they would have been addressed to

the person in the best position to attend to them.

PASTORAL LEASES

Upper Gascoyne: Aboriginal Groups

152. Mr LAURANCE, to the Honorary Minister assisting the Minister for Aboriginal Affairs:

Is the Government negotiating to hand over or lease any further areas of land in the upper Gascoyne region in a manner similar to that involving the lease in recent days of the Mt James pastoral lease?

Mr BRIDGE replied:

I am not aware of any land in that situation but it may well be there are other areas in the Gascoyne region that would be looked at as part of the package which has been agreed upon between the State and the Commonwealth. The only land that was brought to my attention for my consideration, and for which a decision has been made, is the Mt James pastoral lease—the section that was relinquished because of its non-viability. To my knowledge that is the only land affected at present. The probability, however, is that other land could be considered later.

SMALL BUSINESSES

Rural: Inquiry

153. Mr HOUSE, to the Minister for Small Business:

With reference to his committee inquiring into small rural businesses, he told this House three weeks ago that the report was finished. When will it be tabled?

I ask because of the urgent help required for rural businesses.

Mr TROY replied:

I thank the member for his question. It seems I am getting an opportunity to make weekly reports.

The matter has been fully considered in my office and is now being considered by Cabinet.

Mr Cowan: When will it be tabled?

Mr TROY: That is a decision for Cabinet to make.

WA LIVESTOCK HOLDINGS PTY LTD

Stock Sales

154. Mr COURT, to the Acting Premier:

What were the budgeted and actual cattle sales fundings in both number and dollar terms for WA Exim Corporation's subsidiary WA Livestock Holdings Pty Ltd for the 1985-86 financial year?

Mr BRYCE replied:

Senior officials from WA Exim Corporation have been contacted and arrangements made for them to supply the answer to the member in writing.

EDUCATION DEPARTMENT

Acting Director General

155. Mr MacKINNON, to the Minister for Education:

Why is Mr Warren Loudon being appointed on a temporary basis as the acting Director General of Education?

Mr PEARCE replied:

Because he is the best man for the position.

Mr MacKinnon: Why only temporary?

Mr PEARCE: I thought the Press release on the matter covered that exceptionally well. On the basis that the Functional Review Committee is looking at a new structure for the Education Department, no senior positions are being filled except on an acting basis until such time as the FRC has completed its work. That gives us the opportunity to fill positions in the new structure rather than to try to reshuffle people from the old structure into new positions after we have appointed people to the old positions. Does that not sound sensible to members?

Government members: Hear! hear!

Mr PEARCE: If we are about to have a new structure it does not make a lot of sense to fill positions in the old structure.

INDUSTRIAL DEVELOPMENT*Engineering Industry: Assistance*

156. Mr COURT, to the Minister for Industry and Technology:

- (1) Has his department identified the assistance to be made available to the Western Australian heavy engineering industry as a result of Senator Button's assistance package announced last month?
- (2) Have the proposals been presented to the local industry?
- (3) If so, how many companies are currently benefiting from this package?

Mr BRYCE replied:

- (1) to (3) To the best of my knowledge, no companies are currently benefiting because the actual support has yet to be reticulated to those companies which are eligible and in need. The details of that programme were a matter of discussion between Senator Button and me about two weeks ago, and we have set before the Senator and some of the representatives of his office a good deal of queries we want answered about how we think benefits in the package will affect WA and how WA companies will benefit.

As the Minister for Industry and Technology, I am more than just mildly concerned at the major programmes of support for industry reconstruction and modernisation at a national level when I see the lion's share of those programmes going to companies in other parts of the country because it just so happens that a heavy preponderance of smokestack industries are situated on the east coast.

The programmes—I call them rescue operations or restructuring programmes—that have been formulated to a tune of \$572 million for automobiles, steel, and new heavy engineering, will over a five-year period see the bulk of that money going to companies in the Eastern States because there is such a heavy preponderance of those companies in those States.

I very reasonably put a proposition to Senator Button looking for an increase in the amount of funding to support the establishment of new sectors of the economy which we are able to concentrate on to a much greater extent in WA because we do not have the same preponderance of heavy industry.