

WESTERN AUSTRALIA

PARLIAMENTARY DEBATES
(HANSARD)

Fourth Session of the Thirty-third Parliament

Parliament was prorogued on 6 March 1992, to 12 March 1992, when it met for the despatch of business.

Parliament was opened by His Excellency the Governor (The Honourable Sir Francis Theodore Page Burt, AC, KCMG, QC).

OPENING OF PARLIAMENT

Legislative Council

Thursday, 12 March 1992

MEETING OF THE COUNCIL

The Legislative Council met at 2.15 pm.

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

THE PRESIDENT: On behalf of the members of the Legislative Council I welcome all visitors to the opening of the fourth session of the Thirty-third Parliament and hope you have an enjoyable and interesting afternoon with us.

PROCLAMATION

The Clerk of the Parliaments (Mr L.B. Marquet), read the Proclamation of His Excellency the Governor (The Honourable Sir Francis Theodore Page Burt, AC, KCMG, QC) summoning the fourth session of the Thirty-third Parliament.

GOVERNOR'S SPEECH

His Excellency the Governor entered the Council Chamber at 2.19 pm; and, the members of the Legislative Assembly having also attended in the Chamber obediently to summons, His Excellency was pleased to deliver the following Speech -

Mr President and Honourable Members of the Legislative Council.

Mr Speaker and Members of the Legislative Assembly.

Before I outline the Government's Legislative Program for this Session it is appropriate that I note the death of Mr Daniel Norton, Member for Gascoyne from 1953 to 1974 and Speaker of the Legislative Assembly from 1971 to 1974.

I also note the passing of Mr Walter Raymond McPharlin, Deputy Premier and Minister for Agriculture from 1974 to 1975 who represented Mt Marshall from 1967 to 1983, and Mr Edward Peate Oldfield, who entered Parliament representing the seat of Maylands in 1951 and served until 1965.

In addition, I note the death of the Hon Andrew Mensaros, Member for Floreat from 1968 to 1991 and a former Minister for Industrial Development; Mines; Fuel and Energy; Electricity; Works; Water Resources; Housing; Education; and Minister assisting the Minister Co-ordinating Economic and Regional Development, in the Court and O'Connor governments.

I also note the retirement of Mrs Pam Buchanan, Member for Pilbara from 1983 before becoming Member for Ashburton in 1989. Mrs Buchanan is also a former Minister for Works, Services, Regional Development and Minister assisting the Minister for Aboriginal Affairs.

The Hon Jim Brown, formerly Member for Merredin-Yilgarn from 1971 to 1974 and later Member of the Legislative Council from 1980 to 1992 and Chairman of Committees also retired earlier this month.

The opening of this Parliament occurs at a time when Western Australia faces significant challenges.

For some time now, the State has felt the effects of harsh economic conditions, both national and international.

Falls in world commodity prices have affected the State's mainstay industries of mining and agriculture and these have had direct flow on effects for individuals, and, in some cases, whole communities.

As recently as May 1989, Western Australia was the envy of the nation with a record low unemployment level of 5.4 percent. Today, unemployment at twice that level is unacceptably high.

The dramatic, recent change in Western Australia's employment position reflects the State's reliance on a narrow economic base and its vulnerability, as a result, to outside economic conditions.

The Government has responded to the challenges of this situation with a comprehensive new plan to stimulate and diversify the State's economy.

The plan, known as 'The WA Advantage', recognises that short term measures will not significantly improve conditions for Western Australians. Instead, it concentrates on decisions for the long term, decisions which can lead to secure jobs and sustained economic growth.

The plan is far reaching and seeks to turn Western Australia into a diverse and highly competitive economy, an economy which is resilient and robust rather than vulnerable.

The measures contained in 'The WA Advantage' have three key objectives. They are:

- * to provide confidence and certainty to investors;
- * to increase efficiency and competitiveness; and
- * to promote WA both at home and abroad.

The plan is based on the premise that the creation of wealth is the province of the private sector and that Government plays a crucial supportive role by:

- * providing infrastructure and infrastructure services at internationally competitive prices;
- * simplifying regulations and Government procedures; and
- * keeping taxation at minimum levels, consistent with the level of service demanded.

Each of these aspects of the Government's role will be reflected in legislation to be introduced this Session.

It is also the Government's responsibility to provide education and training so that Western Australians are equipped with appropriate skills to take up jobs as the economy recovers.

To this end the State Government has joined with the Commonwealth to invest a massive \$17 million to provide additional education and training opportunities for young Western Australians this year, particularly school leavers.

The Government's commitment to reducing red tape and eliminating undue delays in approval processes for major developments is reflected in one of the earliest measures to be brought before the Parliament.

There will be amendments to the Aboriginal Heritage Act to strengthen protection of Aboriginal heritage sites and establish new procedures for development approvals. These will

include a system of conflict resolution; the imposition of strict deadlines on assessments; and the clarification of the ultimate authority of the Government to make decisions in the community interest.

This Bill will not reduce the level of protection of Aboriginal heritage and culture; indeed, it will be complemented by a Bill to create an Aboriginal Cultural Heritage Commission which will protect, advance and maintain Aboriginal cultural heritage.

In a similar initiative, the Government will subject the Environmental Protection Act to an independent review with the aim of streamlining approval and assessment procedures.

A Strategic State Projects Unit will also be established to ensure that projects of importance to Western Australia are considered more quickly, with the guarantee of appropriate legislative action if the Government defaults on time frames.

The Government proposes to offer up to 49 per cent of the R & I Bank for sale to the public when the bank's profitability can ensure an appropriate return.

The Government will also sell the State Government Insurance Office. The State will retain its interests in the social insurance area through the establishment of the Insurance Commission of WA.

A major initiative in the Premier's economic development program is a Bill to reserve land for rapid rail transit between Fremantle and Mandurah.

Legislation will also be amended to produce important changes in the State's energy industry. This will provide for the creation of an independent pipeline authority to administer the Dampier to Bunbury gas pipeline and SECWA will be given a clearer commercial focus to improve its performance in an increasingly competitive energy market.

Important changes are planned to legislation affecting the mining industry.

The Mining Act will be amended to remove the power of veto of private landholders over exploration on private land. A tribunal will be established to determine compensation matters when a dispute arises and to make recommendations on the conditions for mining tenements.

In addition, the Government will legislate to exclude mining in national and marine parks, but will allow non-disturbing geo-scientific surveys.

The Department of State Development will be formally established by Statute, and legislation will be introduced to facilitate mining and future processing of mineral deposits, including mineral sands at Beenup and nickel at Yakabindie and Mt Keith.

In recognition of the State's future water requirements and the increasing focus of State development and trade towards the north and Asia, an independent feasibility study of the Kimberley pipeline will be undertaken.

As foreshadowed in the Premier's economic development statement, the Government will introduce amendments to provide payroll tax relief to many businesses by increasing the threshold by 10 per cent. This will have the effect of exempting almost 90 per cent of businesses from the tax.

Businesses will also benefit from amendments to the Stamp Act to reduce some stamp duties and compliance costs and to streamline administration of the Act and remove anomalies.

A complete rewrite of the Limited Partnership Act is also planned. This will have major benefits as a simpler and cheaper alternative to forming companies.

The Government's commitment to develop local industries and promote Western Australia is reflected in amendments to the Lotteries Commission Act to provide funds to stimulate commercial film production in the State.

The protection of the environment will be advanced by several measures to be introduced by the Government this year.

The powers of the Department of Conservation and Land Management will be expanded in relation to forest management and new wildlife conservation laws will be introduced. A Bill will be introduced to abolish the practice of duck shooting.

As well, a Bill will be introduced to give effect to the Commonwealth-State agreement on the World Heritage listing of Shark Bay.

A series of legislative changes will be introduced in the area of health to improve service delivery and accountability to the community.

The Mental Health Act will be repealed and replaced with a new Act which will reflect developments in modern psychiatric care.

The new legislation will incorporate a Mental Health Review Tribunal.

A Bill will be introduced to provide new systems of registration for nurses, chiropractors and osteopaths.

Ninety-four year old adoption legislation will be updated with a new Bill in accordance with the recommendations of a review established in 1988. The legislation will provide new sensitive and flexible arrangements which respect the rights of all parties involved. Key areas of reform include new procedures for access to information, negotiated adoption arrangements and guidelines for inter country adoptions.

Western Australia's seniors will benefit from three important pieces of legislation.

Age will be included as a ground against discrimination under the Equal Opportunity Act and the Retirement Villages Bill will be reintroduced to provide protection and a dispute resolution mechanism for retirement village residents.

The Government will also reform legislation which deals with local authority rates and rebates for pensioners, so as to remove inequities, simplify eligibility criteria and reduce administrative overheads.

In this session of the Parliament there will be further significant changes to the criminal justice system.

The changes relate to child pornography, the admissibility of children's evidence and implementation of recommendations of the Child Sexual Abuse Task Force.

Legislation will be introduced to minimise trauma for child victims of criminal offences and to strengthen the response of courts to crimes against children.

Recommendations flowing from the review of the criminal code by the then Crown Counsel, now Mr Justice Murray, will also be implemented.

Profits of crime will be targeted with the creation of an offence for money "laundering". In addition, requirements of the United Nations Convention against the illegal trafficking of drugs will be implemented.

Substantial amendments will be made to the Legal Practitioners Act to establish a new disciplinary system with an important role for non-lawyer members of the community.

In addition, the Prisons Act will be changed to allow some prisoners access to home leave and work release, thereby reducing incarceration rates, facilitating rehabilitation.

In the current session, the Government will renew its efforts to reduce the carnage on our roads by reintroducing amendments to cut the blood alcohol limit for drivers to 0.05 per cent.

There will be significant changes in racing and gaming.

The Totalisator Agency Board will be restructured and placed on a commercial footing so that it can adapt more readily to changing patterns in the entertainment and leisure market. Licensed on course bookmakers will be permitted to field bets on other sports through proposed amendments to the Betting Control Act.

Industrial reform will proceed in 1992 with wide ranging amendments to the Industrial Relations Act. Changes deal with issues such as enterprise agreements and unfair labour contracts and include the removal of promotion on the basis of seniority for teachers.

Workers' compensation matters will be reformed this year in accordance with recommendations of the Guthrie Report and the review by the Tripartite Labour Consultative Council.

The Government has adopted accountability and efficiency in the administration of the State as key priorities.

Consequently the Government will seek to reinstate and pass its Freedom of Information Bill to provide the public with access to Government records and information. This legislation

will be complemented by a Privacy Bill with the principal aim of protecting the rights of individuals.

The Government will move to reinstate the Select Committee into the Official Corruption Commission Act and will introduce legislation arising from the Select Committee's report.

In response to community wishes, the Government will legislate to establish a register of foreign ownership of Western Australian property.

It will also implement a scheme to supervise permanent building societies and credit unions according to uniform national prudential standards.

Two measures will be proposed to raise public confidence in the political system. Members of Parliament will be required to disclose their financial interests under a Bill designed to reveal and thereby avoid potential conflicts of interest.

Another proposal is designed to bring about comprehensive disclosure of the sources of finance for politics by requiring those involved in elections to lodge returns with the Electoral Commissioner.

A Police Administration Bill will provide an efficient and effective administrative framework to equip the Western Australia Police Force for the 21st Century.

Members, in this challenging period in Western Australia's history it is desirable that a spirit of unity and cooperation prevails in the interest of all Western Australians.

It is with this sentiment in mind that I declare the Fourth Session of the Thirty Third Parliament open and trust that Providence may bless your deliberations.

[His Excellency and the members of the Legislative Assembly then withdrew from the Chamber, and the President resumed the Chair.]

[Questions without notice taken.]

LIMITED PARTNERSHIPS BILL

Leave to Introduce

HON J.M. BERINSON (North Metropolitan - Leader of the House) [3.01 pm]: In order to assert and maintain the undoubted rights and privileges of this House to initiate legislation, I move, without notice -

For leave to introduce the Limited Partnerships Bill.

Question put and passed; leave granted.

Introduction and First Reading

Bill introduced, on motion by Hon J.M. Berinson (Leader of the House), and read a first time.

MOTION - SENATE VACANCY

Joint Sitting - Time and Place Consultations

HON J.M. BERINSON (North Metropolitan - Leader of the House) [3.02 pm]: I move, without notice -

That with reference to the message from His Excellency the Governor (Sir Francis Theodore Page Burt, AC, KCMG, QC) reported to this House on 6 February the President be requested to confer with Mr Speaker in order to fix a day and place when the Legislative Council and Legislative Assembly, sitting and voting together, shall choose a person to hold the place of the senator whose place has become vacant.

I believe that the background to this motion is well known to all members and it does not need further elaboration.

Question put and passed.

MOTION - STANDING COMMITTEE ON LEGISLATION

Reappointment

HON J.M. BERINSON (North Metropolitan - Leader of the House) [3.03 pm]: I move, without notice -

That the members of the Standing Committee on Legislation as they were in the previous session be reappointed, and that the business before the Committee be resumed at the stage reached in the previous session.

I would not normally move a procedural motion of this kind at the formal opening and indeed the motions for the re-establishment of other committees will be held over until next week. A special reason to re-establish the Legislation Committee is its current concentration on the Crime (Serious and Repeat Offenders) Sentencing Act. I am informed that the committee has the opportunity tomorrow to interview an expert and very experienced officer from New Zealand. I am informed he has an important background in this area and the committee believes that it is most important it have the opportunity to interview him in a formal way. I understand from the chairman of the committee that the opportunity to meet with this senior officer from New Zealand might even obviate the need that would otherwise emerge for the committee to travel to New Zealand. Knowing the reluctance of committee members to do that I naturally want to accommodate their wishes.

HON GEORGE CASH (North Metropolitan - Leader of the Opposition) [3.05 pm]: The Opposition concurs with the motion moved by the Leader of the House. There is no question that the committee to date has made significant progress in its important work. The Opposition certainly does not wish to see the committee impeded in any way, and as the committee has the opportunity of hearing from that expert witness the Leader of the House referred to, the Opposition supports the motion.

Question put and passed.

GOVERNOR'S SPEECH

Distribution of Copies

THE PRESIDENT (Hon Clive Griffiths): For the sake of accuracy I have obtained copies of His Excellency's Speech, which will now be distributed to honourable members.

ADDRESS-IN-REPLY - FIRST DAY

Motion

HON BOB THOMAS (South West) [3.07 pm]: I move -

That the following Address be presented to His Excellency -

To His Excellency, Sir Francis Theodore Page Burt, AC, KCMG, QC,
Governor in and over the State of Western Australia and its dependencies in
the Commonwealth of Australia:

May it please Your Excellency:

We, the members of the Legislative Council of the Parliament of Western Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign, and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.

I want to say at the outset how pleased I was to see the recent announcement by the Governor, Sir Francis Burt, that he intends to extend his term as Governor until the end of June this year. I am one who believes that Sir Francis has conducted himself in an exemplary manner and that the State has benefited from his time in the office. I also want to extend my best wishes to Hon Jim Brown who has just recently retired from this place. He has served his electorate well and has been a champion of the rural community and farmers in particular, and I wish him well in his retirement.

I also want to applaud the initiatives announced in the State Government's program of legislation for this session as well as in the WA Advantage package. Clearly Western Australia is now recovering from the recession and all indications are that Western Australia will lead the rest of Australia out of the recession and that the recovery will be stronger in Western Australia. Some of these indicators include the recent announcement of the huge increased capitalisation of the WA Stock Exchange and the doubling of the amount of equity that it was able to raise in 1991 compared with 1990, and recent reports that future employment demand in WA will be stronger than for the rest of Australia. This is borne out

in the ANZ vacancy index and the Kennedy recruitment consultants' report. The results of their recent survey found that even though some Western Australian firms indicated that they intend to further reduce their staff levels, a larger number of firms intended to hire workers within the next three months.

In fact the net increase would be about 6.5 per cent for Western Australia compared with only 2.9 nationally. Other positive indicators include a modest recovery in wheat and wool prices, a 17 per cent increase in the sales of existing homes during January and February this year and reports of increased car sales since October last year.

Mr President, although other indicators are less encouraging, it is quite clear that a modest recovery is now under way in WA. What many do not realise, however, is that this recovery will receive a significant stimulus as several major, and many other not so large, projects come on stream this year. For example, we know that several thousand direct and indirect jobs will be created as investment begins to flow into Marandoo, and that the \$2.6 billion Collie power station will have a huge impact on economic activity within the State and on employment in particular. There are dozens of other projects, which have either commenced or are about to commence, which will also have a collective effect similar to the larger projects.

It is clear that the WA economy is now firmly on track to recover and is moving towards the very high levels of growth which the Organisation for Economic Cooperation and Development has predicted for it. We can expect that for the rest of the decade the WA growth rate will be between five and six per cent. Therefore, the initiatives announced recently by the State Government in its WA Advantage package, and those contained in the Government's legislative program for the rest of the year, as announced by the Governor today, are timely.

We need to harness the new activity which is awakening within our economy and to channel into areas which maximise the benefits for both WA and Australia. For too long Australia has exported unprocessed raw materials such as wheat, wool, iron ore and coal, and imported most of its manufactured requirements rather than produce them in Australia. Collectively, some very bad decisions were made in the 1950s and 1960s. We felt that we had a comparative advantage in exporting commodities and that because we had a very small population and had no economies of scale we could not sustain a viable manufacturing industry. We let many of our manufacturing industries run down, and those industries which were kept were hidden behind protective trade barriers and never exposed to international competition. The terms of trade have swung against Australia since those times. We now find that, even though we are increasing the volumes of commodities exported, our prices for them are not increasing as quickly. In real terms, we are probably receiving less now for those goods than we did in the 1950s and 1960s. Conversely, manufactured goods imported to this country are increasing in value and it is becoming increasingly difficult to pay for those imports from our export income. Clearly, Mr President, it is incumbent on both Federal and State Governments to ensure that we start to address this major structural problem within our economy and to ensure that we add as much value as possible to those commodities before we export them. We must also generate as many jobs as possible here in Australia rather than in the countries to which we are exporting.

The WA Advantage package will do just that. Its basic thrust is to speed up the State's approval processes for development projects and to give financial incentives to attract export oriented industries which process our raw materials. It also improves the efficiency of our existing industries by introducing a more competitive energy pricing policy, by making our transport infrastructure more efficient and by lowering the payroll tax impost on business.

I do not believe we will have many more opportunities to build a more competitive and more efficient economy in Western Australia than those which will be presented to us over the next decade. Australia has missed too many opportunities in the past and in doing so we have allowed our economy to be built on too narrow an economic base, one which is too susceptible to changes in the world economy and which experiences violent cyclical swings between recessions and booms. Most people here today will remember the recessions of 1954, 1961, 1974, 1982 and the one we are now exiting. I do not think that Australia can afford to miss the opportunities it missed in the 1950s and still sustain the standard of living to which we are all accustomed. For example, in the 1940s and 1950s, Australia led the

world in computer developments. However, an interdepartmental committee in Canberra decided that Australia already had a very good radio valve industry and, as the transistor was a passing phase, it would have no future. Therefore, it was decided we needed to concentrate on our valve industry rather than on developing the computer industry. What a mistake! We now import hundreds of millions of dollars worth of computer equipment into Australia each year.

Likewise, an Australian invented the black box flight recorder for aeroplanes. However, our civil aviation authorities said that it was not needed in Australia. We had the safest aviation industry in the world and, anyway, why should we record in-flight activity if those planes never crashed? Flight recorders are now manufactured overseas and are a billion dollar industry. Again, it was an Australian who invented the interscan landing device. That went offshore because industry was not prepared to back the development of it. That is another billion dollar industry located overseas. Also, during that time we allowed a culture to develop whereby our corporate sector, banks and financial institutions were not prepared to invest in anything unless it had the security of the family home or quarrying minerals for export. We now have the dubious honour of having the highest amount of capital invested in our family homes as well as being dependent on imports of manufactured goods which could be manufactured in Australia.

Mr President, I believe that the initiatives contained in the Government's WA Advantage package will go a long way towards ensuring that we harness that new activity which is starting to develop again in the Western Australian economy. We will be in a position to add more value and create more jobs here in WA rather than in the countries to which we export our commodities. I also have a great deal of confidence that the package will benefit regional and rural areas. I intend to spend some time today talking about the way in which it will benefit my area of Albany and the great southern. This area has been badly affected by the rural downturn and, to a lesser extent, by the recession. Wool growers' incomes have been cut by up to 40 per cent over the past year or so, or, by my calculations, by about \$100 million for the whole region. This has had a devastating flow-on effect on all communities in the great southern.

Unemployment has compounded. During 1991, the number of unemployed people in my region was estimated to have increased by 78 per cent. Other factors which have contributed to this downturn include the fact that many farmers turned off large numbers of sheep last year as part of the flock reduction program. This, in turn, had some impact on the meat industry, which saw the Albany abattoir open for about only three months this year, compared with its normal season of about six months. Normally this industry pumps about \$1 million in wages a month into the Albany economy. As well, the high value of the Australian dollar has reduced the competitiveness of the local Australian vegetable processing industry, and Albany has not been insulated from this trend. Imports of frozen vegetables are cheaper and exports of Australian manufactured frozen vegetables are, naturally, less competitive overseas. As a result, some down-scaling in the vegetable processing industry has occurred in Albany and the flow-on effect is self-evident.

Also, recently the Albany Woollen Mills Ltd laid off about 70 staff; 30 or so were permanent employees and 40 were casuals. Until recently this company had managed to escape the effects of the recession and had maintained its viability in the face of very stiff competition from cheaper New Zealand imports. However, over the last couple of months it received reduced orders from the Eastern States and South East Asia. A company spokesman said at the time that he expected it to be a short term thing, and I am happy to say that the company is now starting to re-employ some of those staff.

However, 1991 was not a good year for Albany and industry in the great southern region. One of the reasons is that our economic base is too narrow. We are dependent on too few industries and when one of them experiences difficulty it has a major effect on the rest of the economy. It is also my belief that the WA Advantage package offers the sorts of incentives we need to diversify our economy and build on the natural advantages we have. This in turn will create more wealth and, therefore, more jobs and training opportunities in our region.

To understand how I think the package will help my region I need to first draw a brief thumbnail sketch of the local economy. It is one in which agricultural production is worth approximately \$540 million a year. Tourism is worth \$60 million or so annually, and retail,

manufacturing and other activities are worth about \$150 million a year. In agricultural production, wool is by far the largest industry accounting for about \$300 million in 1989-90; wheat accounts for about \$150 million; and activity is taking place in other industries such as pigs, cattle, vegetables, other grains, plantation timber and grapes. If I were asked to describe the strengths of this region's economy, I would say they were -

the wool industry, even though it is experiencing some downturn at the moment;

the unique and almost pristine environment which offers enormous scope for the tourism and recreational industry, and also offers our agricultural industries a competitive advantage because of its reputation for low levels of pollution;

the agricultural soils which have a high nutrient retention and which, when coupled with the high rainfall, are ideal for hardwood plantations; and,

the higher than average pensioner population in the towns of Albany and Denmark. For example, the number of people over the age of 55 years in the WA population is 17.5 per cent. In Albany 26 per cent of the population is over the age of 55 years.

In my view the strengths I have just outlined offer great potential for economic growth in the region over the next decade or so. I do not think we can expect any magic cure for the problems we are experiencing in the short term, but the long term prognosis for our economy must surely be good.

A major component of the WA Advantage package is encouragement for the further processing of agricultural products before they are exported. I have already said that this region's agricultural production amounts to \$540 million a year. If we were to take 10 per cent of that production and double its value, we would increase economic activity in this region by \$54 million. I personally see the wool industry as one in which we can engage in that value adding process. In 1989-90 Australia produced about \$5 billion worth of wool. Most of it was exported, and made up 30 per cent of the world's wool production and a massive 70 per cent of the world's apparel wool market. That \$5 billion worth of wool, when processed, was worth \$75 billion. That is a 15-fold increase in the value of the raw product after it left Australia.

Closer to home, the value of wool production from the great southern region in 1989-90 was about \$300 million and, although we shall never increase its value by anywhere near 15-fold, we have significant scope to greatly increase its value in this region before export. Two wool scouring plant operators have expressed interest in relocating from the metropolitan area to the great southern. Sites at the Down Road industrial site and the recently rezoned special industry area in Mt Barker may be attractive, as are other areas such as Katanning. The Down Road industrial park near Albany, with its proximity to road, rail and the port infrastructure, may be the most suitable. The other benefit of this site is that it is adjacent to the proposed Three Farm sewerage treatment plant for Albany's domestic sewage. The effluent produced from the wool scouring plant may well be accommodated in it, thereby overcoming the environmental problems associated with these scouring plants elsewhere. This project would have an enormous impact on the region. Jobs during the construction stage would be vital to the local economy, as would the 40 or so permanent jobs created once a plant of this nature is up and running.

I also see huge benefits for the great southern from what is now only a fledgling hardwood plantation industry. It is estimated that approximately \$100 million worth of private investment is flowing through the system for hardwood plantations in Western Australia. I would expect the majority of that to be channelled into the great southern, and in particular in the Albany area. With a massive increase in living standards in the Asian economies and a consequential increase in demand for paper products, paper pulp mills are expected to increase their demand for plantation timber over the next decade or so. I know of one consortium which intends to put \$4.5 million worth of private investment into this industry. It has already begun approaching farmers in the Albany area to lease land from them. The consortium will plant blue gum and grandis plantations and it expects to harvest its first crop within seven or eight years. It is targeting the South East Asian market, as are the other consortiums moving into this industry. Within 20 years we shall see a \$1 billion industry in this region, which will offer both economic and environmental benefits. Economically the whole of the region will benefit from hundreds of new jobs created in a new industry. We

shall also have the advantage of a more diversified and resilient economy. The industry will promote increased use of an already underutilised port in Albany, and if the trees are strategically planted it will improve productivity from farmland. It has been shown that farmers can actually put up to 15 per cent of their farm under plantations and still increase production from the remaining land. The environmental benefits should not be underestimated. They include accelerating the fight against erosion and salinity, and the preservation of our valuable but fragile topsoil.

Mr President, I also have great faith in the tourism industry in Albany. Over the last couple of years we have seen some significant developments in this industry. Paul and Jane Terry recently spent nearly \$20 million building the new Esplanade Hotel and Extravaganza. They added to it \$30 million worth of art and vintage cars and have created one of the region's major tourist attractions. It is a statement of confidence in the region's tourist appeal and, with hindsight, was a very safe risk. People already wanted to visit Albany to see its unique environment of panoramic coastlines and relatively unpolluted waterways, and the charm of its many historic buildings which are now being restored because of their heritage value. I see the WA Advantage package as giving these industries further impetus in Albany, and envisage more than just incremental growth in the industry over the next 10 years or so.

The WA Advantage package offers real hope for the economy with which I am most familiar; that is, Albany and the great southern. I am sure it offers the same sort of hope for the rest of the State. By contrast, I do not believe that the State Liberal Fightback package offers the same hope. In my view, it is Alice in Wonderland stuff. People are crying out for major changes so that we can rebuild a competitive Western Australian economy. And what do the Liberals do? They come up with a scheme which is inextricably linked to a goods and services tax which itself is grossly unfair in that it taxes the food and clothing of low income earners while giving \$100 a week tax cuts to people earning \$2 000 or more a week.

Hon P.G. Pental: They call ours "fightback" and yours "kickback".

Hon BOB THOMAS: I am talking about Alice in Wonderland and up pops Hon Phillip Pental. These tax cuts will not be funded from revenue raised through the goods and services tax but from Government spending cuts. For example, \$187 million will be saved by extending the waiting period for unemployment benefits from the existing one week to three weeks. Similarly, \$36 million annually will be saved by extending the waiting period for sickness benefits. At the same time people earning more than \$2 000 a week will receive tax cuts of \$100 a week. This is grossly unfair and in my view unacceptable in a mature, socially just community. Hence my concern over the package announced recently by Barry MacKinnon. It has as its centrepiece the abolition of payroll tax which will slice approximately \$500 million from the State's annual income. Although I would like to see this happen, realistically it will not because payroll tax will not be replaced by the Commonwealth Government. The State will therefore have either to reduce its own spending accordingly or introduce its own State goods and services tax.

As well, the package included provisions for the abolition of State debt by the year 2010. I do not know how he will find the extra \$500 million a year to replace payroll tax -

An Opposition member: By borrowing it.

The PRESIDENT: Order! Honourable members should stop interjecting. They can see Hon Bob Thomas is trying to draw his speech to a close.

Hon BOB THOMAS: I do not know how he will then find a further \$1 billion a year to pay off the accumulated debt. This would mean reducing Government spending on schools, hospitals, policing and so on, by almost one quarter of the State's Budget, clearly an impossible task in the State with the youngest and fastest growing population and the biggest demand for State services. I also have great difficulty in understanding the reasons behind the Liberals' proposal to privatise State Print, Stateships and the Hospital Laundry and Linen Service of WA. To attempt to improve the efficiency of these organisations is commendable, but surely there can be no benefit to the State if the Government is to lend the employees of those organisations the money to buy them. Privatisation frees up Government investments in one area and makes the money available for social investments in other areas. In this case this will not happen and we will have a situation akin to selling one's home to one's neighbour but lending him the money to buy it. We will be no better off. I think the Liberal

package pussyfoots around and does nothing to address the long term structural problems in our economy. The program outlined by the Premier, however, offers this State real hope. I commend the motion to the House.

HON FRED MCKENZIE (East Metropolitan) [3.32 pm]: I formally second the motion.

Debate adjourned, on motion by Hon George Cash (Leader of the Opposition).

SENATE VACANCY - JOINT SITTING

Time and Place Arrangements

THE PRESIDENT (Hon Clive Griffiths): Honourable members, with reference to the Message from His Excellency the Governor and in conformity with the Joint Standing Orders relating to the election of a Senator to the Commonwealth Parliament, arrangements have been made whereby a joint sitting of the Legislative Council and the Legislative Assembly will be held in the Legislative Council Chamber today, 12 March 1992, at 3.45 pm for the purpose of electing a person to fill the vacancy notified in the Message from His Excellency. Members might wonder how that was done, because I have not left the Chair since the motion was moved asking me to concur with the Speaker. Being psychic, I guessed that motion might be passed today and I wrote to the Speaker before the House sat advising him of the possibility and he sent back a note saying, "I concur"; so that is what we are doing.

JOINT SITTING OF THE LEGISLATIVE COUNCIL AND LEGISLATIVE ASSEMBLY

"The West Australian" Article - Misleading Information

THE PRESIDENT: I will take this opportunity of drawing to the attention of the House a matter that has been brought to my attention by several members. It relates to an article which appeared in *The West Australian* this morning under the heading "Joint sitting to make State history". My attention has been drawn to two parts of it which are quite inaccurate, and it astounds me that *The West Australian* could print such misleading information. It suggests that this is the first time in the history of the Parliament of Western Australia that there will be a joint sitting, but I have participated in five of them personally. The other thing, which members are more concerned about, is that the article suggests there was a possibility that this joint sitting would not occur on this day due to somebody suggesting that it might interfere with afternoon tea. I remind honourable members that there are two people in this place who determine whether this Parliament will sit. One of them is the Speaker in the other place and the other one is me, and there was never any suggestion like that. When it was brought to my attention that there was a requirement for the joint sitting on this day I indicated instantly that that would occur. So for members who are a little concerned about that newspaper article, that is all I can say about it.

Sitting suspended from 3.35 to 4.19 pm

STATEMENT - BY THE PRESIDENT

Chamarette, Christabel - Election as Senator

THE PRESIDENT: Honourable members, I have to report that at the joint sitting of the Legislative Council and the Legislative Assembly, Christabel Marguerite Alain Chamarette was duly elected to fill the vacancy as a senator of the Commonwealth Parliament in the place of Senator Josephine Vallentine, resigned.

House adjourned at 4.20 pm

QUESTIONS WITHOUT NOTICE

PERMANENT BUILDING SOCIETY - DEPOSITORS AND WITHDRAWABLE SHAREHOLDERS

Current Status

1. Hon GEORGE CASH to the Attorney General:

What is the current status of depositors and withdrawable shareholders of the Permanent Building Society?

Hon J.M. BERINSON replied:

The question needs to be answered in two separate ways; first, in respect of depositors' funds and, second, in respect of withdrawable shareholders. As to depositors, about whom there is no question, the administrator has reported that a return of 61¢ in the dollar has already been made. I think I am right in saying that the date of return was 28 February. The administrator anticipates that there will be further returns to those depositors but at this stage neither the amount nor the date has been put on any firm basis. One of the reasons for the present lack of certainty about the depositors' position relates to the second category to which the Leader of the Opposition referred; that is, the withdrawable shareholders of the Permanent Building Society.

Members will be aware of the background and will know, for example, that the Government introduced a Bill last year which sought, for a number of reasons detailed at the time, to give withdrawable shareholders the same rights as depositors to a return from available funds. That measure was defeated in this House, so that no further action along those lines could be pursued. As a result, because of the many claims on the administrator by withdrawable shareholders and because of the great variety of claims that withdrawable shareholders lodged, the administrator made an application to the Supreme Court with a view to attempting to have a definitive ruling on the position of withdrawable shareholders. I do not have the precise figures with me but I can indicate the general nature of the problem if I say to the House that the administrator has found something like 20 different types of forms related to the lodging of what I call deposits by withdrawable shareholders. The result of that is that the resolution of their position is by no means simple; it is indeed very complex and will take some time to determine. Pending a decision by the Supreme Court on that question, the position of the withdrawable shareholders regrettably remains in a state of uncertainty and for the same reason further decisions on depositors' rights will also be delayed.

WESTERN WOMEN FINANCIAL SERVICES PTY LTD - PUBLIC SERVICE COMMISSION

Draft Report - Minister for Education's Pre-amendment Discussions

2. Hon GEORGE CASH to the Minister for Education:

Did the Minister discuss the Public Service Commission's draft report on the Western Women Financial Services group with the Premier or any other person prior to the report's being amended to delete any reference to the Minister?

Hon KAY HALLAHAN replied:

No.

SCHOOLS - ABSENTEEISM

8 000 Figure

3. Hon E.J. CHARLTON to the Minister for Education:

Can the Minister confirm the publicly stated figure of 8 000 students a day being absent from schools in Western Australia? What action will the Government take to ensure that this absentee rate does not continue?

Hon KAY HALLAHAN replied:

The figure of 8 000 young people being absent from school is questionable. Absenteeism from school is very much a fluctuating situation and affects different schools on different days. It would be hard to arrive at an accurate figure of the number of young people absent on a given day. If the court has highlighted an area of concern - particularly a concern about juvenile crime - namely that young people are not attending school, the question is, where are they? The Ministry of Education is typing out procedures in relation to absenteeism. This is part of a focus on areas where a higher level of absenteeism and antisocial behaviour occurs. We are considering specific projects that will have a positive outcome. I have little doubt it must be dealt with in a range of ways. We must have Government departments working in a cooperative way in areas where there is an indication of this and other problems.

POLICE - JUVENILE RELATIONS

Burdekin, Brian, Perth Visit - Minister for Police's Concern

4. Hon T.G. BUTLER to the Minister for Police:

As a result of the visit to Perth of Mr Burdekin, the Human Rights Commissioner, is the Minister concerned about police-juvenile relations in Western Australia?

Hon GRAHAM EDWARDS replied:

I thank the member for some notice of his question. Yes, I have some concerns; however, while not wanting to comment further on allegations conveyed by Mr Burdekin at this stage I am concerned to address the substance of the question of police-juvenile relations. I have discussed the matter with the Commissioner of Police and advised him that I will be appointing a committee to assess police-juvenile relations and to provide an open but balanced report to both myself and the commissioner. I will ask the committee to be frank in its considerations and to pull no punches in its report. I will also instruct the committee to assess the many positive initiatives already in place, such as the police and citizens' youth clubs, the blue light discos, school based police officers, and so on, with a view to advising on gaps in police-juvenile relations, expanding worthwhile initiatives and addressing the problems where they exist. The committee will be asked to complete its report within three months. The committee will be chaired by Superintendent Bruce Brennan, who was recently appointed to the community policing portfolio; the committee members will be drawn from local government, community policing, the police ethics committee, Aboriginal and non-Aboriginal youth areas, and a nominee of the State Government advisory panel on young offenders.

It is important to address this issue because of its serious nature and because of the need to come to grips with media reports and others which have substance, and to dismiss those which are vexatious. It is crucial in Western Australia that the police retain the respect and support of the public and I trust that this process will assist in that aim.

WESTERN WOMEN FINANCIAL SERVICES PTY LTD - WOMEN'S INFORMATION AND REFERRAL EXCHANGE

Wort, Margaret, Expression of Concern - Minister for Education's Action

5. Hon GEORGE CASH to the Minister for Education:

- (1) Was concern expressed to the Minister by Margaret Wort, a former acting director of the Office of Women's Interests, about Margaret Wort's unease about Western Women Financial Services Pty Ltd operating out of the Women's Information and Referral Exchange premises; and, if so, what action did the Minister take following that expression of concern?
- (2) When did the Minister first become aware that the draft Public Service

Commission report on the activities of Western Women Financial Services implicated the Minister by name as having been party to a decision to allow the Greenburg group to keep operating through WIRE because of the concern about a possible feminist backlash?

Hon KAY HALLAHAN replied:

(1)-(2)

As I have done in other places I make it quite clear that I made no informal or formal advice to change the arrangements with regard to the Western Women's group operating out of the Women's Information and Referral Exchange. I first became aware of the report when the matter was raised in a public way recently. I have indicated that the report did not come to me until it became a public document and I had nothing to do with draft reports, nor had knowledge of those reports. Members would understand that, as I was not the Minister responsible or involved with the report.
