

# Legislative Assembly

Tuesday, 27 April 1982

The SPEAKER (Mr Thompson) took the Chair at 4.30 p.m., and read prayers.

## EDUCATION

### *Four-year-olds: Petition*

MR CRANE (Moore) [4.31 p.m.]: I have a petition to present as follows—

To the Honorable the Speaker and Honorable Members of the Legislative Assembly of the Parliament of Western Australia and in the Parliament assembled.

The Petition of the undersigned Citizens of Western Australia respectfully sheweth a grave concern that Government funding for the education of four year old children in the community based preschool centres, may be cut and we would respectfully draw the attention of Honorable members to this.

Your Petitioners therefore humbly pray you will give this matter your earnest consideration and your Petitioners in duty bound will ever pray.

The petition bears the signatures of 139 citizens of Western Australia, and I certify that it conforms with 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. 7.)

## HEALTH: RADIATION SAFETY ACT

### *Amendment: Personal Explanation*

MR HODGE (Melville) [4.33 p.m.]: I seek leave to make a personal explanation.

Leave granted.

Mr HODGE: I will make a brief announcement to correct the record. Question on notice 467 asked of the Minister for Health appears in *Hansard* of Wednesday, 7 April. The Minister did not answer the question in the usual way; instead, he submitted a written reply to me some two weeks later. At some time between my submitting the question to the Clerks, and its appearing in *Hansard*, a typographical error was made in one of the parts of the question, and that part now appears incorrectly in *Hansard*. I want to have the matter set straight, and particularly I want to have it set straight as the Minister made reference

to that error in his written reply to me. Part (5) of the Minister's letter states—

It is presumed that this question refers to the publication of the United States National Research Council. This is not a United Nations body.

I realise that. In my original question I referred to the United States National Research Council, and somehow or other in the processing of my question it was changed to the United Nations National Research Council. So, for the sake of the record I want to have the matter set straight; it was not my error. I do not know where the error occurred, but I thought it was important that *Hansard* show the correct question.

## GOVERNMENT RAILWAYS AMENDMENT BILL

### *Second Reading*

Debate resumed from 22 April.

MR CRANE (Moore) [4.36 p.m.]: I rise to support this Bill presented to the Parliament last week. It is of great interest and concern, to country people. Before we can talk at any great length or in great depth on legislation such as this it is important that, at least, we make cursory remarks about our experiences with transport in Western Australia. I do not profess to be an expert in this field, or to know all that there is to know about transport, as is evidenced by the remarks we often hear about transport in this Chamber. I say this because I have had experience in this matter only since 1926! Judging by the wealth of information we hear from others from time to time, no doubt it seems they have studied the matter at least in their own minds a great deal longer than I have.

When we go through the history of this State as it relates to transport, we find that Governments and the Western Australian Government Railways, as it was known in the early days, played a tremendous part in the development of the State by developing our railway system. We can see also the contribution made by others, particularly people in country areas—a contribution which has fostered the financial stability of Western Australia. Fortunately in those days, and even earlier, there were men of great vision prepared to take bold steps to develop this State. They considered that if this State was to be developed properly, it should be in a manner that would enable people in the rural areas to get their produce to the markets, and in return to get general goods and necessities in order that they might conduct their businesses.

The system has worked very well. I suppose one could say that until the present it has been a little bit like Topsy; it has just grown, but certainly it has made a great contribution to this State through its growth. Unfortunately like many other things as time goes by, changes must be made. So, we come to the present with the Government's finding it necessary to make the change proposed, recognising, of course, that the life blood of Western Australia is its rural exports; this life blood can come only from those people who live in our rural areas and so long as they are able to enjoy some form of adequate transport to enable them to carry on their varying forms of business.

Mr Evans: Will you vote for this Bill or against it?

Mr CRANE: Members will recall—

Mr Evans: Don't be coy.

Mr CRANE: —that in the early days we enjoyed a good system of transport. I am able to refer to what has happened in this State to bring about the necessity for a change. We used to enjoy a good system of transport operating throughout the whole of the State.

Unfortunately this is not the case today. We have seen many inroads being made into this form of transport by heavy vehicles, such as semi-trailers, particularly in the north. This is brought about by economic necessity because whereas the State Shipping Service once served Western Australia very well indeed, it is not able to do so anymore. One of the main reasons for this is that the people in the State Shipping Service who are members of the Seamen's Union of Australia, enjoy in excess of 20 weeks' annual leave each year and, of course, no service or business can operate under those conditions. Therefore, we have seen a deterioration in the service which the State once enjoyed, particularly in the north.

We are now experiencing something similar in the south-west areas, however, not to the same extent—God forbid it would ever come to that. I firmly believe that this Government and those Governments before it have failed dismally in allowing the current set of circumstances in the Seamen's Union to occur.

However, this Bill deals in particular with the South-West Land Division of this State. The Minister in his second reading speech said—

The main objective of the legislation is to have a joint venture company commence functioning on or about 1 July 1982.

This was the result of a study which was made by the Commissioner for Railways, and it was

recommended that this would be the best way to continue a satisfactory service to the country people. Over the years many complaints have been made regarding the deterioration of the service to country areas, and a great deal of concern has been expressed that if private enterprise were involved there could be a falling off of services to people in those areas.

One of the greatest aspects of the joint venture is to ensure—and the Government has always undertaken to do this—a satisfactory service is provided for country people in remote areas, regardless of the cost to the Government. This approach will be continued. If the matter were left merely to private enterprise, probably the services would fall off in areas that are less lucrative, and there would be a concentration of services in areas which are a little more populated. However, because it is a joint venture and the Government is involved and committed to continue the services in country areas, it will have every chance of success.

At the moment it is only at the drawing board stage. The Boeing 747 is a fine aircraft, but there was a time when it also was at the drawing board stage and no-one knew whether or not the aircraft would be any good until someone flew it. The same applies in this situation and until such time as we put this venture into operation we will not know the pitfalls. We know it cannot be perfect in the first place and that there will be pitfalls. When anomalies present themselves, the Government will be prepared to make various changes to ensure that in the not-too-distant future we will have good legislation and the joint venture will serve the various areas of the State efficiently.

For many years I have been critical of Westrail, as it has now been called, and of the other arm of Westrail—Westfreight. I always have believed that Westrail should not have moved into the Westfreight area—that is my personal opinion, based on my experience. However, Westrail did develop another arm and we find, at times, there is a duplication of services. I remember being in the local hotel at Gingin, which is situated opposite the railway station.

Mr Davies: Hotels are always opposite railway stations.

Mr CRANE: At the same time that a train pulled into the station a semitrailer pulled into the hotel to load empty beer kegs. That is the sort of duplication of service that occurs, and I hope that with the introduction of the joint venture such duplication will not happen.

I am a firm believer that the heart of the transport system in Western Australia for many years to come, and possibly forever, will be a good, sound railway system. I do not think there is any way in which anyone can compete with the railways in relation to efficiency and costs, as long as all the factors are taken into account. I know there are many people who have said, "Well, let us do away with the railways and let us use our own trucks". If this occurred, what a mess we would have on our roads—all the freight taken to country areas would be taken by road—when we consider that heavy freight such as super and wheat would have to be transported.

While many people talk about the value of deregulation—and here we are deregulating the smaller parcels—there is a strong case for looking seriously at leaving the regulations for wheat and super, coupled of course with adequate facilities throughout the country areas to handle them. I know we have facilities for handling wheat, but we do not have facilities for handling super; this is one area in which we have been lacking. If adequate facilities were provided the railways could more than compete and would be more attractive than road transport in the transport of superphosphate.

With regard to the transport and receipt of wheat, I have been quoted as saying that we need to have certain regulations to ensure that wheat grown in some areas is sent to receipt points in those areas in order to facilitate freight handling and freight costs. I am unable to get some of my colleagues to agree with me on this point, but I stand firmly on what I have said as a wheat grower. This year the wheat bin at Bindi Bindi, in my own district, was half full before we commenced harvesting, and this is what happens when farmers chase cheaper freight. Westrail must look very seriously at what it is doing and where it is going.

To return to the joint venture, over the past few years I have noticed on the roads many vehicles belonging to Westrail. One would think they were running in competition with the railways. No doubt this has added a great deal to the expense and the losses we have experienced. Thank goodness the Commissioner for Railways has realised that a lot of money is being wasted in this way, and the present proposals before us have been recommended by him.

I ask members to support this legislation because it is a great step, and a bold step, in what eventually will be proved to be the right direction. As I have already said, problems may be associated with its implementation, but I am sure that we are big enough to overcome, and capable

enough of overcoming, these problems as they present themselves.

When a member of Parliament is in favour of legislation, having made the few necessary points in support of it, there is no need for him, to talk for any great length of time. Therefore, I will just add that I will await the implementation of this joint venture on or about 1 July. I represent many people who can be affected by it, and I shall watch its implementation with keen interest to ensure that any anomalies which do present themselves are brought to the notice of the Government so that they may be corrected.

One aspect of this legislation supports something for which I have asked for many years. Perhaps I was ahead of time, but I have always maintained that there is no need to regulate the cartage of wool. If there is an adequate rail service, most farmers would prefer to transport their wool by rail rather than to cart it themselves. However, some farmers may be a fair way from a railway siding and, if their clip is only small, it may be more convenient for them to put it on their own truck and cart it to Perth.

I draw attention to those words "their own truck" because although some farmers have argued for the deregulation of the cartage of wool, I know that, in the back of their minds, there is the possibility that they could ask a transport company to carry it for them. The legislation provides for them to carry the wool in their own vehicles. I support this provision, and I congratulate the Minister for taking notice of what I have been saying for many years.

With those remarks I have a great deal of pleasure in supporting this legislation. As I have said, I will watch its implementation with keen interest to ensure that any anomalies which may develop are corrected quickly.

**MR JAMIESON (Welshpool) [4.53 p.m.]**: When this matter was being discussed last week, the Minister for Transport indicated that Opposition members had not put forward any alternatives. The fact of the matter is that the alternative is so obvious it does not need to be put forward. Westrail should be permitted to compete properly by being given the necessary transport facilities to take the action it is now proposed that the joint venture will take.

Mr Speaker, you will be aware that, after the last war, most transport systems had run down to a great extent. Limited maintenance only had been carried out on them for five years, and even after the end of the war, supplies were very difficult to come by. The railway road service was born out of that era, and it showed very clearly

that a railway road service, in conjunction with a railway system, could be very efficient and provide for what is now referred to as the smalls traffic. Some country centres no longer needed a full train to carry the passengers, but the road transport was able to provide a very fast service for goods where such a service was necessary.

The member who has just resumed his seat will well remember that the Midland Railway Company, the private company which serviced the Midland to Geraldton line, copied the Government's example. It set up a road service so that it could transport people and goods swiftly to that general locality. That service was an outstanding success. It spread to most places in the country where a regular daily or even weekly passenger service was no longer required. It was found to be the most efficient system to deal with the requirements of these various settlements.

In the early days the rail system was the only way for the Government to provide some efficient form of transport for goods and services to areas at a fair distance from Perth. With the development of more efficient motorised vehicles, the rail system was not as essential as it had been, but it was important that the people with the know-how—the employees of the WAGR—were able to devise this means of decentralisation.

This system was not devised by a Labor Government. I think its main genesis was in the McLarty-Watts era—hardly a socialist period. Nevertheless, the people in Government at that time realised that, with such a large State with its scattered population, it was necessary to look after the pioneers in these outposts. The Government generated this system to its fullest extent and, and as I mentioned, it worked, to assist those in agricultural and mining outposts of the State. So it is of no use the Minister's saying there is no alternative. The alternative is for the Government to get off its seat and to develop a system itself. It is no good his saying, "We will let the joint venturers do that". The joint venturers will run into all the troubles in the world.

Mr Rushton: Just a question: You are talking about a commercial position. I understand they will be fully competitive; therefore, you believe it needs to deregulate to ensure that that happens?

Mr JAMIESON: Yes.

Mr Rushton: Right.

Mr JAMIESON: Yes, but I believe there must be some regulation at all times. When all is said and done, it is up to the various Governments.

Mr Rushton: Do you mean in relation to smalls?

Mr JAMIESON: Whatever it relates to in transport. The Government is responsible for considerable investment in the various forms of transportation which have been implemented from the beginning of the settlement of the State until now; and that entails some form of protection for that system. If we deregulate it completely, self-interested people will cause problems that the joint venturers will not be able to overcome.

The Minister has said the joint venture will operate on a 50:50 basis, but no firm has ever worked successfully in that manner. The member who has just resumed his seat indicated private enterprise should not be entirely responsible for transport, because a service might not be provided in the less attractive and less lucrative areas. Members can imagine the arguments which would take place in the board room between three representatives of Westrail and three representatives of Mayne Nickless Ltd. Before very long the Government would take advantage of the provisions in the Bill which allow it to dispose of some of its shares and Mayne Nickless Ltd. would have a majority shareholding. It would then be able to do as it wished in regard to the provision of transport services. Alternatively the Government would take over complete responsibility for transport and the system would work as I have proposed it should in the first instance.

Mr Rushton: Obviously we need to franchise where there is not an adequate service. It also may be necessary to subsidise, but in a competitive system we need to deregulate in the smalls area, not in the bulks.

Mr JAMIESON: I do not necessarily agree with the Minister.

Mr Rushton: Would you define your position?

Mr JAMIESON: If we deregulate in the smalls area the situation described to the House by the member for Avon will occur. When a transport company has accumulated an adequate load, it will deliver it; but some of the goods might not be delivered for a couple of months. The member for Avon referred to a person who inquired about the delivery of a washing machine and it was indicated to him it would be delivered when a sufficient load had been accumulated.

Unless a regulation confines a limited number of franchise holders to an area, successful competition will not occur and, as a result, some franchise holders will move into other avenues of business and the whole problem will start all over again.

Mr Rushton: That is in an area where competition does not work.

Mr JAMIESON: Of course that is the case. In many areas of this State successful competition cannot occur, particularly away from the major population centres. In all my time as a member of Parliament I have never been made aware of a petition, complaining about the losses incurred by the railways, being placed on the Table of the House. Petitions complaining about all manner of matters have been presented, but I have never seen one that related to uneconomic rail services. If, in fact, such a petition were presented, it would come from a member representing a metropolitan electorate, because city people would be more likely to complain about the subsidisation of the railways than would country people. However, it does not appear anyone is upset about this matter, because no such petitions have been presented.

It seems the people of this State appreciate the need for decentralisation and the fact that the Government should retain ultimate responsibility for transportation. The majority of people draw a parallel between the transportation service and the supply of water and electricity. It is believed the Government has a direct responsibility for the provision of services of this nature to the people of the State. Country water supplies incur huge losses and petitions have never been presented in relation to that matter. As a result of the Government's attitude towards decentralisation, the expenditure of funds is concentrated on the main centres of population. This Bill will perpetuate that tendency, because it will result in an unsatisfactory service and the whole scheme will fall down around the Government's ears before very long.

The Government would be well advised to expand the present transport system. Indeed, the main facilities required are available now at Kewdale and they will be used by the joint venture. A value of \$50 has been placed on some of the pieces of machinery which will be transferred to the joint venture when, in fact, their actual replacement cost would be in the area of thousands of dollars. The whole position is ridiculous and, bearing in mind that the prices arrived at for the transfer of equipment contribute to the Government's 50 per cent share of the joint venture, it is clear the taxpayers of this State will be undersold from the start. We shall contribute more than we acquire in terms of effort and materials involved in the joint venture.

Even at this late stage the Government should consider whether this is a realistic approach to the problem it is trying to solve, because I do not believe it is.

Mr Herzfeld: Do you realise your opposition runs counter to every single report which has been brought down on State railways in Australia?

Mr JAMIESON: I do not care whether my opposition runs counter to every report on this matter submitted in Australia, the United States, or Europe.

Mr Grill: That is hardly a good model. They have all lost money.

Mr JAMIESON: An adequate transport service must be provided, regardless of the fact that we live in a State which covers a vast area. The Minister indicated the joint venture would result in railways moving from a deficit to a profit situation. However, as a result of this move, the Government will centralise the transportation system to the detriment of country people. I do not know whether the Minister sponsors that point of view. If he does so, he should indicate that. I emphasise that no-one in this Chamber has been requested by a constituent to limit the loss incurred by Westrail or by any of the other Government services in this State.

Mr Herzfeld: You have not been listening very carefully, because everyone maintains they are paying too much tax.

Mr JAMIESON: We all agree we pay too much in the way of taxes, but we also all agree we pay too much for everything and we do not get an adequate return on our money. That is a typical sort of complaint which exists in what I would describe as a "hungry" world. It probably results from our present monetary system, but I shall not begin a lecture on that matter, because I do not profess to be a great economist.

I ask members: To what extent have the people complained about the losses incurred by the railways? A petition of that nature has never been presented in this House.

Mr Rushton: Why do you think we had the SWATS inquiry? It was because we were getting constant complaints.

Mr JAMIESON: I am darned if I know why the SWATS inquiry was undertaken or the half-a-dozen other inquiries carried out by the Director General of Transport over the last decade. In the main, none of the recommendations which has come out of those inquiries has been acted upon and the SWATS report was no exception. With due respect to Mr Knox, perhaps the member for Avon was correct when he said at one time that Mr Knox still had the fumes of the Shell Co. of Australia Ltd. in his nostrils. Mr Knox was a very good worker, but he never favoured an integrated system of transport.

Such an interest is essential if we are to obtain the best service available for the citizens of this State.

Mr Rushton: Westrail is recommending the joint venture, not Mr Knox.

Mr JAMIESON: Westrail did that under pressure.

Mr Rushton: No, it did not.

Mr JAMIESON: Let us not be coy about this. Perhaps the commissioner recommended the joint venture and it could be he is not the best Commissioner for Railways that we could have.

Mr Rushton: That is not quite fair.

Mr JAMIESON: I do not know about that. However, many senior railway people and others do not go along with the Government's proposition.

Mr Rushton: And many senior railway people do.

Mr JAMIESON: They do that subject to pressure.

Mr Rushton: That is not right.

Mr JAMIESON: Let the Minister get them away from the pressure to which they are subjected and see what they say.

Mr Rushton: Where is the pressure?

Mr JAMIESON: These people certainly do not favour the joint venture proposal put forward by the Government. The Minister says, "Westrail recommended it", but half-a-dozen other recommendations have been made and most of them have not been acted upon. There is no pressing reason this proposal should be carried out, because nothing recommends it over and above the other proposals put forward over the years in relation to the transport system of this State.

If the Government intends to radically change the transport system, it should ensure such a change will not have a drastic effect on the present employment position. Changes of this nature should occur when the State is in a resilient position, particularly as far as employment is concerned. If that were done, the minimum of disruption would occur. One disturbing aspect of the Government's proposal is that it appears the number of people employed in the transportation industry will be reduced by approximately 780. That is a significant number of people, particularly when it is borne in mind that alternative jobs are not available. Many of the people concerned would be between the ages of 45 and 65 and it is not easy for such people to find other jobs. The Government has disregarded

the position of those people in its approach to this matter.

A number of workers will be employed by the new establishment, but a significant number will be made redundant as a result of this Government's proposal.

The people of this State want the Government to conduct an efficient transport system in the same way that they expect it to provide efficient water supply and electricity systems, regardless of the fact that they may run at a loss. The people have not asked the Government to change the status quo. Therefore, I do not see why the Government should do so.

Any future Labor Government worth its salt would move immediately to return to Westrail its rightful responsibilities so that not only would it be responsible for the movement of goods on the rail system, but also it would be associated with the trucking of goods from central depots in the metropolitan area to the country. It is only in recent years that Mayne Nickless Ltd. and other companies have taken an interest in the transport scene in Western Australia. Initially their involvement would have been in the transportation of lucrative cargoes for developments in the north. However, after establishing depots here, they wanted to become involved in the general transportation of goods. Most of the transport companies in this State have long since been taken over by major Eastern States firms.

All in all it does not look as though we will have a happy time in the future with this project the Government has foisted upon us. There has been no indication how it will overcome the problems associated with its being established on a 50:50 basis. We have not seen the agreement explained how the board, or whatever, will work, but we know that operations working on a 50:50 basis are never very successful. There is no reason to suspect that it will operate any better than any other such body in the past. We have seen a number of joint ventures in different areas, although they have usually been a composite of private companies. A 50:50 mix of Government and private enterprise will not work in the long run, or even the short run.

I hate to think of the numbers of people who will become unemployed because of this proposition. At this stage in the State's history it is more important to keep people employed than to venture into this sort of joint arrangement with Mayne Nickless Ltd.

We have a responsibility to the people of this State to retain the prime authority over the major

transport system, whether it be in the smalls area or in the general cargo line. Let private enterprise run the long hauls for mining companies. Regular transport is the responsibility of the State to ensure the people have the best possible service available. That will not be provided by this joint venture proposal.

**MR GRILL** (Yilgarn-Dundas) [5.17 p.m.]: In this debate I wish to make a few remarks which I hope will be pertinent. Firstly, I congratulate the Minister on the way he has handled this Bill—not exactly on his handling of it, but the fact that he has been here for a small part of the debate.

**Mr Pearce**: Today, that is. Just as well you did not speak on Thursday.

**Mr GRILL**: It is nice to see the Minister is able to drag himself away from the caviare and champagne of an inaugural flight in this State.

A few years ago a new term was coined in country areas to explain the decentralisation policy of the present Government; that phrase was "Perth centralism". That term epitomises the decentralisation policy of the present coalition Government, which policy is to centralise all the amenities, services, and culture in the metropolitan area of Perth.

There are only two certainties with this Bill, besides the absolute certainty that country areas will not benefit at all. The first certainty is that a loss of jobs will occur in country areas, and the second is that the normal escalation of costs will occur in the course of transporting small goods to country areas.

Already we know a loss of jobs will occur in country areas. Let us consider the major regional centre represented by the member for Kalgoorlie and me; that is, the Kalgoorlie-Boulder area. We can say with certainty, because we have it from the Minister, that there will be a loss of at least 24 jobs in that area. A smaller loss of jobs will result in smaller areas. Nevertheless, with absolute certainty we know there will be a loss of jobs in country areas.

We can be assured also that the number, frequency, and rate of services to country areas by the railways through this joint venture will decrease dramatically after this legislation becomes effective.

We can be certain also that there will not be any decrease in cost of the transport of small goods to the country. I challenge the Minister now to indicate to the House that he can guarantee a reduction in the cost of freight to country areas.

**Mr Rushton**: There was considerable loss, which I will demonstrate in reply, relating to road services into Meekatharra, Cue, and Mt. Magnet. That will be some indication.

**Mr GRILL**: Is the Minister prepared to give a guarantee that freight rates will decrease?

**Mr Rushton**: Freight rates will be the least possible cost.

**Mr Carr**: That could be anything.

**Mr Rushton**: Do not get embarrassed if they are less.

**Mr GRILL**: If the Minister is not prepared to give the guarantee, is he prepared to give a guarantee that the freight rates will not rise?

**Mr Rushton**: I will give an answer when I reply.

**Mr GRILL**: The Minister is not prepared to give a guarantee.

**Mr Stephens**: He has said it will achieve cheaper road services, cut out the deficit, and provide cheaper costs to the community.

**Mr GRILL**: Let the record show that the Minister was not prepared to give a guarantee on either of the challenges I gave him.

**Mr Rushton**: That is not so.

**Mr GRILL**: If the Minister is prepared to give a guarantee, let him say so.

**Mr Rushton**: You are not in court now.

**Mr GRILL**: If I were, the Minister would be made to answer the question.

**Mr Rushton**: A little dictator!

**Mr Sodeman**: You also would be accountable yourself, of course.

**Mr GRILL**: The guarantee requested from the Minister was one that I also requested from Mr McCulloch. He was quite judicious in his choice of words, but a little more honest than the Minister. He said, "No; no such guarantee can be given."

**Mr Rushton**: Are you going to give the whole answer? You will find it did not say just that.

**Mr GRILL**: If history is any guide, especially recent history, the chances are that freight rates to country areas will rise quite dramatically as a result of the implementation of this legislation.

The history of this legislation will be the same as the history of the transport of temperature-controlled traffic. Under this Government's policies we found that the cost of transporting temperature-controlled traffic to most areas in the eastern goldfields escalated by a factor of 190 per cent. That sort of history will be repeated

following the adoption of this joint venture legislation.

The Minister argues that there will not be a net loss of jobs in the final analysis. He has endeavoured to put that argument in the debate—or such part of the debate during which he was present last week. He argues that although the joint venture will be employing substantially fewer numbers of men and women, nonetheless, in due course the private carriers will make up the difference and, overall, no net loss of jobs in country areas will occur. That argument is transparently fallacious.

If we analyse the Minister's arguments, we find it becomes quite obvious that this simply cannot be the case. He argues that this Westrail joint venture will be a leaner and more efficient transporter of small goods to country areas. He says it will be more competitive. By arguing those points he must also argue that the joint venture will take a larger share of the traffic. I put it to the Minister that if it is a fact that the joint venture will be leaner, more efficient, and more competitive, and if it does take up a bigger share of the business it is aiming at, where will the other private transporters share in this largely decreased market? They will not be taking up more jobs in country areas. They will be taking up less if the Minister's argument is correct. I am not saying that it is correct, but I am saying that if it is and his argument is followed through to its logical conclusion, by necessity there must be fewer jobs in country areas.

That summarises the two points I wanted to make. The present legislation is part and parcel of the Government's policy of "Perth centralisation". There are only two absolute certainties about the implementation of the legislation: The first is that there will be fewer jobs in country areas, and the second is that there can be no guarantee given about a decrease in freight rates. The reality will be closer to the history of temperature-controlled traffic. We will see a dramatic escalation of the costs of transporting goods to country areas, all of which will be very much to the detriment of everyone living in the country.

**MR COWAN (Merredin) [5.27 p.m.]**: This Bill seeks to do three things. By far and away the most important of them is the facility which will be given to Westrail to enter upon a joint venture arrangement with Mayne Nickless Ltd. to transport smalls, as the Minister refers to them. There has been a good deal of dispute about the volume of freight made up by smalls, and I will come to this later.

What concerns me more than anything else is that the Government has spent over \$1 million in a study of Western Australia's total transport systems. The study took some time to complete and made several recommendations. I acknowledge that any Government has the right to act upon those recommendations in any way it chooses, but it is a fact that the SWATS report spent most of its time on the establishment within the Westrail structure of a road-freight system to be known as "Westfreight". That concept apparently has disappeared out the window, being replaced by this joint venture proposal. No reasons have been given by the Government which adequately would explain why Westfreight was discarded and a joint venture proposal accepted as the better way to transport a section of Western Australia's freight which is causing Westrail some difficulty.

The Government would have been far wiser to use its vast number of public relations officers to try to establish its reasons that Westfreight should be discarded for this joint venture. We have heard no reasons, and all we can assume is that had Westrail been in control of the freight of smalls it would have had difficulty shedding some of the excess staff in its freight section. There is no question but that the Kewdale freight terminal has been top heavy in staff.

**Mr Davies**: How do you know that? Why do you say that? What makes you say it?

**Mr COWAN**: The member raised a very good point. I cannot give conclusive evidence at the moment to suggest that that is right—perhaps there is a question—but I accept that if the staff numbers that have been given to me are accurate and the volume of freight that is handled at Kewdale is accurate, it seems that a private enterprise system would employ fewer staff. Does that satisfy the member?

**Mr Davies**: Not really. It is an assumption.

**Mr COWAN**: I did not think it would, but that is the point, as I see it. There is also the matter of stationmasters and assistant stationmasters in various country towns. It has been felt for some time that the volume of work that these people have to handle is not sufficient to warrant their position in these country towns. Again, I do not have access to the volume of work figures for those areas. I have not done a time and motion study to ascertain whether we can justify their presence.

The point remains that if the Government is going to opt out of that responsibility by giving the handling of all freight to a joint venturer, then we would have liked more adequate reasons



directed at the need to trim staff. As far as country towns are concerned—and this worries me more than anything—without question, we will have a substantial loss of Westrail staff. Most country townspeople would hope that they could be compensated for by increased employment opportunities for private carriers within the town. These carriers are hoping that they will be able successfully to compete with the joint venturer. It is quite important to them that if there is a system of deregulation, the carriers residing in country towns should be able to compete with the joint venturer.

It is worrying to them that they may not be able to do so because if we are going to lose employment opportunities through Westrail, and if this Government believes in decentralisation, it must provide an equivalent employment opportunity through private carriers which are based in small country towns or regional country centres rather than to Mayne Nickless, Brambles, or TNT, which companies invariably are metropolitan-based. By doing that, nothing has been achieved in the eyes of country people who wish to see their community maintained and employment opportunities within that community kept at a certain level.

Let us face it, the Government in the past always has been one of the major employers of labour in rural areas. Of course, this erosion of staff numbers within Westrail particularly in country regions, will make some inroads on that. The first point is that of employment. If we are to take away from country people an employment opportunity within Westrail, we must guarantee that those private carriers who operate in country towns will get an increase in business that will allow them to take up or create employment opportunities within their businesses.

Mr Evans: They will be screwed down as vigorously as Gascoyne Traders was, make no mistake!

Mr COWAN: I hope the member for Warren is wrong, but I have a very nasty suspicion that he may be correct. I hope the Minister addresses himself to this question of employment in his reply and that he can give some guarantee that private carriers in country towns will be given an opportunity to compete with the joint venturers, because that will be extremely important if this concept is to be accepted by the country people at whom it is aimed.

I now turn to the matter of cost. It has been stated in many Press releases made by the Government that this will lead to a more efficient transport system. I do not argue with that. There

are times when it becomes inefficient for both industry and the consumers to be forced to use rail when they have to deliver the goods, load the goods onto a vehicle, deliver them to the Westrail pickup area, then have the item delivered by Westrail, dropped off at a station, picked up by road and then delivered to their final destination. There is little doubt that a door-to-door transport system would be more efficient.

Mr Evans: You could give Westrail that opportunity.

Mr COWAN: That is correct. The SWATS report made it very clear that Westrail should be given the opportunity to do this. We passed some amendments to the Government Railways Act last year which allowed it to do that. Clause 2 to this amending Bill will allow Westrail to move into a joint venture. I am certain that the necessary amendments to the Government Railways Act to allow Westrail to become more competitive in that it could go from door-to-door, was made last year. When the Minister replies to the debate I hope he will advise me whether I am correct.

It is all very well to talk about one mode in the transport industry being more efficient and it being easier to transport goods, but we also must deal with costs. As the member for Yilgarn-Dundas has said, we can take into account only what has happened in history. In history we have seen Westrail divest itself of its chilled-goods operation and we all know it was done ostensibly because Westrail could not meet the requirements of the Public Health Department in transporting chilled goods.

Mr Coyne: It was applauded right through the State, wasn't it?

Mr COWAN: No. It certainly was not applauded in my area.

Mr Coyne: It certainly was applauded in my area because the timetables were spot on, goods arrived in first-class condition, and also the price was a lot lower.

Mr COWAN: I assure the member for Murchison-Eyre that the changeover from chilled goods services, particularly in those areas that operated with the standard gauge, was criticised. People were not very impressed with the concept of having goods delivered out of hours and even though they would be able to be delivered door-to-door, they would have to be down at the door of the shop at 10.00 p.m. rather than have the goods delivered at a more satisfactory time. The quality of the service for chilled goods has not necessarily been equal to or an improvement upon the services offered by Westrail.

Unquestionably, the cost has increased. Westrail argued that it was transporting chilled goods for 25 per cent of the actual cost of transportation. That indicates that we perhaps should have had a review of charges, but nevertheless, the public are on the receiving end and they rightly say that the cost of freighting chilled goods has been increased. No-one can deny that. The people can rightly say in all areas except, apparently, Murchison-Eyre, that the quality of the service is no better or that it has been reduced.

Mr Coyne: I would have known it by now. There are two very important areas, the north-eastern goldfields and the Murchison which have had significant improvement.

Mr COWAN: I can assure the member that some of the people in the territory are not applauding it at all. They do not like the added cost. Let us face it: It is inevitable that there should be an added cost, but people certainly do not like the added cost of services.

I mentioned last week that in some areas services were provided two or three times a week and they have now been reduced by at least one service a week.

Mr Rushton: The railways, in many cases, was delivering five times a week. In consultation with railway commissioners, it was then negotiated that they deliver three times a week or twice a week. Instead of having two kilograms at a time, they could deliver four kilograms. That is a machinery sort of approach. We cannot expect a five-times-a-week delivery for two kilograms of goods if we want to do it reasonably cost-efficiently.

Mr COWAN: No. What the Minister is saying is that the service has been reduced. He is, in effect, agreeing that the service has been reduced.

Mr Rushton: In some cases. Others have not.

Mr COWAN: They certainly have been. I worry about a transport system that will be introduced through a joint venture where there is no requirement upon the joint venturer or venturers to meet any particular obligations.

Mr Rushton: Getting back to the service.

Mr COWAN: No. I certainly hope the Minister gives some to the local carrier. I want local carriers to be in a position to be able to win it for themselves.

Mr Rushton: They are.

Mr COWAN: I expect them to do a reasonable job on the odd one-off situation, but where there is a regular service which people rely upon rather than the irregular transport of commodities which

are required once only, local carriers will be unable to be a part of that type of system. They might not be able to introduce a regular service.

Mr Rushton: I had a call from one of your carriers in the weekend who indicated to me that he is getting out and putting on a regular service.

Mr COWAN: That is right, but that is in a larger area.

Mr Rushton: No, it is in the small towns.

Mr COWAN: They are transporting from the Merredin depot and from Perth.

Mr Rushton: No, it is from the other end.

Mr COWAN: Yes, but they are both from the depot to Perth. He is hoping to be able to do that.

Mr Rushton: He is free to do that.

Mr COWAN: I hope the Minister is right.

Mr Coyne: What will stand in his way?

Mr Rushton: There is nothing to stop him.

Mr COWAN: The quality and cost of the service when transport has been shifted from one mode to the other always have increased. Although Westrail has been using Westrail road trucks quite a lot, we will see a shift in the proprietorship of the people who are responsible for transporting goods to the area. There is no way in the world they will transport anything for a loss. That means that the consumer will have to bear the higher cost of transporting these goods. Whether one calls the consumer a taxpayer or whatever, the person who has purchased the article or wants it transported, will be paying a higher cost.

Mr Rushton: Local carriers have been telling me that the cost probably will be lower in quite a number of towns.

Mr Brian Burke: They will tell you anything!

Mr COWAN: That relates more to the one-off item.

Mr Rushton: No.

Mr COWAN: Yes, it does.

Mr Rushton: A number of them.

Mr COWAN: A number of one-off items.

The DEPUTY SPEAKER: Can I suggest that members relate their remarks to the Chair and leave the Committee to debate the points at the appropriate stage.

Mr COWAN: I do not see anything in this Bill which would preclude me from talking about the subject of transport. I thought that was what it was all about.

Mr Tonkin: Hear, hear!

Mr COWAN: I am trying to point out to the Minister for Transport that local carriers in small towns will be able to transport certain commodities at a lower rate than Westrail can already do it. Whether they can compete with the joint venturers remains to be seen, but there are other commodities. People have brought these to our attention before. There is no way in the world anyone can compete with Westrail. The consumer at the other end will be disadvantaged because he will be receiving those commodities every week and will be paying a higher price for them every week. It is true that he might purchase a tractor, a motor vehicle, or a header or, in the case of a businessman, some machine parts; however, he might purchase those commodities only once or twice a year. It will be cheaper to transport such commodities; that will be great. However, the fact of the matter is that every week he will be paying more for the transport of his regular commodities.

Unless this Government can give a guarantee tonight that there will be an overall reduction in the cost of transporting goods to the country areas and if, on the contrary, transport costs rise when the legislation is implemented on 1 July, I can assure the Minister for Transport that this legislation will be implemented just in time to make it an election issue.

Mr Rushton: I hope so.

Mr COWAN: I would hope that if the legislation becomes an election issue it will be based on the fact that transport costs to country areas had been reduced; however, something tells me that will not be the case. If transport costs do increase, this Government will have to accept the blame for not taking action on the recommendations of the SWATS committee that a company known as "Westfreight" should be established under the control of Westrail to handle all freight operations.

Mr Rushton: I have heard nothing from you tonight in relation to the deregulation of wool and mohair. The Opposition has said it will reject it; so, you will be left with a mixed brew to support or reject. In addition, you were the champion of the grain contracts provisions, but then you swung over; you had some nice things to say about it in the Press.

Mr COWAN: The first point I make is that the Government should have implemented the recommendations of the SWATS committee in relation to the establishment of westfreight. The second point is that no matter what the Minister for Transport is reported in the Press as stating, the country consumers believe they will witness higher costs for consumer goods and for some

other articles transported from our areas. The third point is that we will also see a reduction in services.

To take it even further, we believe that unless this Government gives the private road hauliers and contractors operating in small towns the opportunity to take on more work and compete successfully with the joint venture, the employment opportunity the Government will deny country people by removing a great number of Westrail staff also will not be available to country areas because the local carriers will be the only people who could put on more staff if their workload builds up.

Mr Rushton: If country people are loyal to their local carriers, the local carriers will get the jobs.

Mr COWAN: I hope so.

Mr Evans: They will not.

Mr COWAN: The fact is, however, that the local carriers will not always be able to transport goods at a price competitive to the joint venture. Even if they do get the work, the people will not be terribly impressed with the cost of transporting goods.

Mr Deputy Speaker, the Minister interjected to make a point about the cartage of grain; I was surprised you allowed the interjection, because I did not think it was relevant to the debate.

The DEPUTY SPEAKER: Order! If the honourable member wishes to extend into that area, we could be here for some time. He may make only a passing reference to the subject.

Mr Bryce: Just to put the record straight.

Mr COWAN: I think I will use this opportunity to set the record straight: This Bill does not deal with the transport of bulk commodities.

The Government's record in the transport of bulk commodities is not one of which it can feel justifiably proud. Minerals, which form a large percentage of bulk transport, are transported at a much lower cost than are other bulk materials such as grain. What is important is that too many grain producers send their produce by road direct to port.

If the charges for carrying bulk that Westrail has used for the last 12 months are so competitive, why have we not seen a reduction in the road transport of grain? The system operated by Westrail is not brilliant and still has some flaws, and the Government may have some more work to do on this proposal before it is acceptable to the industry.

We support the second reading of this Bill but there are some points we wish to raise during the Committee stages.

Mr Evans: You are still supporting it after all that?

Mr COWAN: We will see what happens but we do support the second reading of this Bill.

MR DAVIES (Victoria Park) [5.51 p.m.]: I do not propose to speak for very long on this Bill—I will probably speak for less time than the Minister did when he introduced it. It is probably the most important piece of legislation likely to be dealt with during the autumn session—in fact, during the whole of the session.

Mr Rushton: I will agree with you on that.

Mr DAVIES: I thought it would have warranted much greater detail and wider information than that which we received in the brief introductory speech by the Minister for Transport, which took six minutes. Last Thursday the Minister heard some speeches from this side of the House and then departed for other places while the Bill was debated for most of the day. I think it was very wrong of the Government and it was discourteous of the Minister not to be present. However, having listened to the interjections tonight I think we were far better off when he was not here.

Opposition members: Hear, hear!

Mr DAVIES: We might accomplish a great deal more if he were not here.

I express concern at the joint venture about which we know nothing. All that I have learned about the joint venture is what I have heard in this Parliament. Passing references have been made to it in the newspapers. It is a shandygaff situation, and we will not have any part in making the agreement nor will we have any say in what goes into it.

This is cause for alarm. We are giving *carte blanche* to the Government to do whatever it wants with regard to the railways and, indeed, it can enter into any agreement within the restrictions contained in the Bill. This is only a simple, two-page Bill; it is only a simple provision that we are putting into the Act, but it is far-reaching and can be used extensively. It goes beyond the indications we have had in regard to the joint venture, even if those indications are correct. All I can say is that it is a total surrender by the Government and recognition of the fact that it does not have the ability to run the transport or railway system efficiently.

Every move made by this Government since 1959 has led to a worsening of the position. I am

aware that the Hawke Government closed some lines in the late 1950s and I am aware of the reason for that. It was soon after that that the recent Premier of this State took over the portfolio of Railways and, to be fair, for about 18 months it looked as if some effort was being made to lift the railways out of the doldrums, and money was spent to provide an efficient system.

Mr Rushton: That is still going on.

Mr DAVIES: Since then, there has been a steady decline, despite everything the Minister has said to the contrary. We have seen a decline in the number of lines and a substantial decrease in the number of staff. From the way in which the Minister talks, one would think that there had been no wastage of staff and no reduction in numbers. One has only to look at the last available annual report from Westrail to learn that in two years there has been a reduction of more than 658 staff. Over the past 10 years there has been a continuing decrease in the number of staff and a consolidation of offices at East Perth.

A corporate image has been developed, and that has been a disaster to say the least. It seems the main effect of developing a corporate image was the change in the colour scheme and the use of a logo. The colour scheme of orange and blue can be described only as a great disaster. I do not know who chose the colours but neither wears very well and both fade easily. They are not good colours, and indeed they have not done anything to upgrade and distinguish the railways—rather the opposite I thought. It was a decision of the Government to adopt a corporate image, and it has done nothing at all to help the railways.

We have gone through the process of changing from steam to diesel engines and that was supposed to have the greatest beneficial effect on transport in this State. Indeed, it has obviously saved us a lot of money, and a change in the system was required. The only trouble was that the Government of the day bought the wrong diesel locomotives and that created some degree of distress for a considerable period of time. However, I do not think it is any good our going over the things of the past.

The continual changes that the Government has made have done nothing to raise the morale of the railways staff. It is now at its lowest ebb and the staff—what is left of them—are confronted with the prospect of what they consider to be a good line of traffic being handed over to private enterprise under a system that is still under wraps.

I do not trust this Government and I am not prepared to give it—

Mr Rushton: There is nothing new in that comment. You have been saying that for years.

Mr DAVIES: The Minister has done nothing to warrant any trust. If he wanted to win our trust he might have done something that might have made us admire him.

Mr Rushton: It is Westrail's recommendation.

Mr DAVIES: The Minister has only to look after transport and after about three years in one portfolio the best he can say is, "We will give away half of the traffic under a system which is not yet worked out." What a remarkable record.

Mr Rushton: What a false presentation!

Mr DAVIES: After all that time, after all that study, and after "squillions" of dollars have been spent on studies, reviews, and reorganisation, the best the Government can come up with is to give away half the traffic.

Mr Rushton: It is the implementation of Westrail's recommendation.

Mr DAVIES: The Minister surely has not spoken to Westrail staff; if he has they talk with two tongues. If the Minister speaks to the persons running the railways—the subheads of departments and heads of departments—he would find they would express a great amount of concern and distress at what the Government is doing to their railways system. They are proud enough to call it their railway system.

Mr Rushton: So am I.

Mr DAVIES: They take some pride in it because they feel it is a good system, and if it were made to work, it would work well.

The Government has insisted on changes and more changes, none of which has improved the position in any way at all. Last year, some new railcars were bought. One would have thought, in the International Year of Disabled Persons, some consideration would have been given to the ease with which railcars can be negotiated by people in wheelchairs. It is not unusual, when travelling overseas, to find that railcars are level with the platform. The new railcars purchased by Westrail last year have not one, but two steps up from the platform. Our old railcars had just one small step to be negotiated, but the new railcars make it almost impossible for any handicapped or disabled person to negotiate them successfully. The Government intends to buy 10 of these railcars.

One has only to consider the first diesel locomotives which were sold to the WA Government Railways—as it then was—to realise that we are sold equipment that other railway

systems will not accept. The purchase of the diesel locomotives had Government approval.

Mr Pearce: They keep breaking down and stranding my constituents in your electorate!

The DEPUTY SPEAKER: Order! I suggest to the member that he should relate his remarks to the Bill before the House.

Mr DAVIES: Thank you, Sir, for that small reminder. I was trying to make the point that despite what the Government claims to have done, the money it has spent on railways, and all the changes it has effected, it is now surrendering; it is acknowledging the fact that it is unable to run a railway system. The best the Government can do is to give part of it away.

If I were convinced that we will end up with a good system, I may be less critical of the legislation. However, we are not told what the system is to be. As I said, the Minister for Transport spent six minutes introducing the measure, he listened to a couple of speeches when the debate was resumed, and he then took himself off to southern climes. He has only today returned to the House. Some very good points were raised in the debate in this House last Thursday.

I am not for one minute prepared to say to the Government, "You can have *carte blanche* in regard to these agreements." As you well know, Mr Deputy Speaker, the Bill will permit the Government to do all sorts of things. It can enter into agreements, borrow money, stand guarantor for creditors, and the like. The joint venturers will ensure that the people drafting the agreements will be more clever than those in the Government.

I would like to know what information will be conveyed to the Parliament before agreements are signed, sealed and delivered, and passed into law.

It seems to me that the Government is pushing this legislation through with indecent haste. If this were not the case, surely the Government would have delayed the debate for at least one day to ensure that the Minister was in the House while the debate took place. It is most unusual for a Minister to be absent for a whole day and to miss the debate on such an important piece of legislation.

Mr Rushton: But I read it, and that was rather painful too.

Mr DAVIES: That is an example of the capricious attitude which the Minister is prepared to adopt.

Mr Rushton: You would have thought people on your side would have got above the level they suggested.

Mr DAVIES: If the Minister is prepared to treat this matter capriciously, it indicates that he is not serious about transport and that he should resign from his portfolio. Transport has been a disaster under his control.

The Government has performed the three-card trick, and eventually the cream of the traffic will be handed over to private enterprise. The part of the traffic that is not wanted by private enterprise will be handled by Westrail.

Mr Rushton: Two per cent of Westrail's traffic—the cream of the traffic!

Mr DAVIES: That is how I see it. The most unfortunate part of the whole exercise is that the people who will pay for the Government's action will be the long-suffering country people. The Minister acknowledged readily, by way of interjection, that freight rates will rise under this system.

Mr Rushton: That is not true.

Mr DAVIES: No-one has said that freight rates will be lower or even the same under this new proposal. This makes a mockery of the Government's protestations about wanting to help country people. If ever the Government had a chance to help country people it has one now. It has a wonderful opportunity to help country people in regard to freight rates. At all times the Government should work towards keeping country people on at least an equal footing with city people.

The member for Welshpool—and I point out he is the father of the House—told us that he has never seen a petition concerning railway losses presented to the Parliament. Everyone has spoken about these losses from time to time; everyone regrets that they occur; but it has been acknowledged that if we are to encourage people to remain in the country, we must provide an efficient transport system and the Government must expect such a system to run at something of a loss. Of course we want to minimise the loss as far as possible.

The Minister tells us that this joint venture will save the Government approximately \$7 million a year. I cannot see how that will be so. If the Government is saved that amount of money, someone must pay the cost. Private enterprise will not be able to handle the traffic at any lower rate.

Mr Rushton: You would have to be joking! What about long service leave? What about numbers?

Mr DAVIES: Members from both sides of the House have mentioned likely freight rates. However, these can be "guesstimates" only

because we have been provided with no figures. Our "guesstimates" are based on the existing road transport rates, and certainly some of these figures cause us alarm. One can understand why country people might want deregulation and might want to do everything themselves, because they will not be able to afford freight on the smalls traffic.

We are entering into an unexplained system. It is a shandygaff system. I am not prepared to give the Government all the power for which it is asking, merely to do the things that it wants to do, because it is not treating the Parliament as it should. The Government should take the Parliament into its confidence and tell it how the system will work.

If the Minister is able to convince me that the railway system will work better under his proposal, if he tells us in some detail what he is proposing, I might be prepared to alter my opinion. However, at present, the best I can say is that the Government has surrendered to and accepted the fact that it is unable to run a railways system.

MR STEPHENS (Stirling) [6.09 p.m.]: I would like to make a small contribution to this debate, and support the remarks made by the member for Merredin. Most aspects that affect his electorate affect my electorate also, so I endorse the remarks he made.

I also am concerned that we are being asked to support something about which we know very little. We have been asked to put our faith in the Government. Based on our past experience, we need a little more than a bland request to put our faith in the Government.

I will not deal with the legislation that is commonly referred to as the "clearing bans legislation". The Government introduced a measure into this House and, as far as I am concerned, it deliberately misled the House when it introduced that legislation. It withheld from members of the House information that was known to public servants. However, we are not debating that legislation at the moment but, it is an example of why we should not put faith in the Government.

Mr Evans: Are you supporting it?

Mr STEPHENS: We are supporting the second reading at this stage.

Mr Carr: And he reserves his right to sit on the fence.

Mr STEPHENS: We have some ideas which could improve the legislation. We will present our ideas during the Committee stage. The member

for Warren knows as well as I do that one cannot amend legislation unless one supports the second reading, at least. We intend to—

Mr Evans: Do you think an amendment would make any sense?

Mr STEPHENS:—move amendments during the Committee stage.

We in the National Party are conscious of the need to have the most cost-efficient service available, certainly to benefit country consumers. The Government is entitled to some praise, having commissioned the Southern Western Australia Transport Study to obtain a full analysis of the problems, with a view to an improvement in policy. We have no argument with that. What does seem passing strange to me is that the SWATS report made a recommendation with regard to a Westfreight concept; and this has been blithely swept aside.

I hope that when the Minister replies to this debate, he will give a detailed analysis of why the Government cannot accept the Westfreight concept. After all, the study, which cost a considerable amount of money and took a considerable length of time, came up with just that suggestion; yet the Government has wiped it aside.

Mr Rushton: Westrail wiped it aside, too.

Mr STEPHENS: I hope the Minister will give me the reasons for that when he replies. Certainly in the debate so far and in the Minister's peregrinations around the country he has not given any reason. At the several meetings I attended, particularly the one in Mt Barker, the Minister would be aware that no-one was satisfied with what he had to say.

Mr Rushton: That is not accurate, either.

Mr STEPHENS: They heard nothing to suggest that they should not accept the Westfreight concept.

Although the Minister has been saying that nearly all the shires support his present proposal, he would agree that one shire president did not have too much support for the concept; and he heard the proposal at first hand.

Mr Rushton: What has he supported in the past?

Mr STEPHENS: He is a very respected citizen in the town in which he lives.

Mr Rushton: He is a good friend of mine, too.

Mr STEPHENS: The shire president I mentioned has the support of the residents. The Government would be rewarded if it took heed of gentlemen like that.

It concerns me that the Government is wiping aside a recommendation of the SWATS report without giving us any reasons. Yet it is only a week or two since the Government, in order to get itself off the hook, asked Oliver Dixon to produce a report on prostitution. I will not go into the details of that report; but one newspaper saw fit to criticise it. We all know what the Minister for Police and Prisons had to say about that newspaper—it was abusing its democratic rights in as much as it had the temerity to criticise a report brought in by one man. However, this Government is ignoring a recommendation in a report commissioned by itself, which report was presented by two men.

#### *Leave to Continue Speech*

Mr STEPHENS: I move—

That I be given leave to continue my remarks at a later stage of the sitting.

Motion put and passed.

Debate thus adjourned.

*Sitting suspended from 6.15 to 7.30 p.m.*

### QUESTIONS

Questions were taken at this stage.

### GOVERNMENT RAILWAYS AMENDMENT BILL

#### *Second Reading*

Debate resumed from an earlier stage of the sitting.

MR STEPHENS (Stirling) [7.58 p.m.]: Before questions without notice I made reference to the Government's failure to take notice of certain recommendations in the SWATS report, and also the Government's failure to explain why it has not taken notice of those recommendations. The Minister indicated by way of interjection that the Commissioner for Railways did not like the idea. That remark was consistent with what the Minister said in his Press release of 24 January this year. All the Minister had to say on this matter was that the Commissioner for Railways had advised him that Westrail believed it was not practicable for Westrail to change its organisation in the manner recommended. That statement did not give any explanation as to why the Government did not believe it was practicable to accept or introduce the recommendations. To me that course is interesting because the SWATS report was put together by none other than Mr Knox, the Director General of Transport, and Mr R. J. Pascoe, the Commissioner for Railways. I would have thought Mr Pascoe as Commissioner

for Railways had a good understanding of Westrail's capacity to operate in the manner recommended by the report, notwithstanding that he was one of the people responsible for the report.

I know that Mr Pascoe is not currently the Commissioner for Railways, and was not at the time of the Press release, so I can assume only that the commissioner referred to in the release is the present incumbent of that office. He has been in that position for only a short period, and, without reflecting on his ability in any way whatsoever, from the point of view of experience, Mr Pascoe would be in the best position to make a judgment on the capacity of Westrail to follow the recommendations which were not made lightly. By reference to the report, one can determine that virtually four options are mentioned. More time was devoted to the recommendation of a Westfreight concept than to the other options put forward. It was with a considerable degree of deliberation that the people making the report made the recommendation which the Government and the Minister have dismissed so lightly.

There was another occasion when the Minister, the commissioner, and several other people involved in Westrail made a tour of the various areas in an effort to allay the public fear by giving out the good news and explaining what was to happen. I do not know whether it was made by the Minister or Mr McCullough, the commissioner, but the statement was made that Westrail now had road transport trucks operating in areas of deregulation. This is borne out in another Press release put out by the Minister on 8 January, apparently in reply to a statement made by the Leader of the Opposition. The Minister had this to say—

If Mr Burke had bothered to check out the facts and properly inform himself, he would have found that there are no restraints on Westrail to operate door-to-door services, and this occurs in many instances. Nor is Westrail prevented from sub-contracting local carriers to handle goods from rail to door and from customer to rail, and this too occurs.

Either the Minister or Mr McCulloch at the same meeting introduced the new commercial manager who recently had been appointed to Westrail. This gentleman came from the private transport operator area and had a considerable degree of expertise. We now have a situation where Westrail has experience in operating road trucks and there is no reason that it cannot operate door-to-door services.

The next statement took everybody by surprise; it was announced that it was necessary to enter into a joint venture with private enterprise because Westrail did not have the expertise.

Mr Evans: You are going to support this?

Mr STEPHENS: The member can wait and see what we are going to do.

Mr Tonkin: We know.

Mr STEPHENS: That was the type of statement that was made at the public meeting in Mt. Barker. The Minister would not be very surprised when I tell him that the statement was not very convincing to the people assembled there.

The Minister has also made reference to a reduction in costs and to an improvement in the service that could be expected by country people. He said this on many occasions, but we had it in writing in a Press release that was issued on 8 January 1982. The Minister said this—

Westrail has also indicated that such an arrangement would bring it—and thereby users and consumers and the taxpayer—a benefit (i.e. deficit reduction) from 1984/85 of some \$7 million per annum (on 1981 dollars).

So he was saying that the consumers and the taxpayers would receive the benefit. Obviously, there will be a benefit to taxpayers if the deficit is reduced by \$7 million, and if consumers are to receive a benefit, we can assume only that he means there will be reduced costs, or the same costs with an improved service. I find this hard to accept when one takes into account a couple of examples of what occurs presently in private transport operations.

One irate constituent of mine came in to see me and pointed out that recently he had two tonnes of tiles forwarded from Perth to Mt. Barker. He had asked the agent in Perth to forward the consignment by Westrail. When I contacted the agent subsequently he acknowledged that this request had been made. The goods were brought down by one of the private operators.

Mr Rushton: Which one? Was it Comet?

Mr STEPHENS: It was TNT Transport System, actually. I did not particularly want to identify the company. The tiles went from Kewdale to Albany, and from Albany back to Mt. Barker by road. What made my constituent particularly irate was the fact that he received a bill for \$411. He then went across to the Westrail office in Mt. Barker and checked the price for the same two tonnes of goods and was told that as Westrail had not actually handled the goods it could not be specific, but it would be between \$90



and \$110. Compare that to the \$411 for them to be sent down by private transport!

Mr Rushton: What was the nature of the freight?

Mr STEPHENS: It was two tonnes of tiles. I was trying to assist my constituent and to confirm that the freight rate was correct. I rang the office of TNT in Perth to check out the invoice and was told that it would take some time. I said, "Can you give me a quote on this item?" The gentleman said, "Yes. Our rate would be \$405 freight and \$6 insurance, which comes to \$411." He asked me what the problem was and I explained that my constituent was a bit irate because he had just been charged \$411. The TNT man said, "That is correct." I said, "Yes, but Westrail would have charged him between \$90 and \$110." He said, "If he was not satisfied he should have made negotiations with us before the goods were sent and we could have given him a big discount."

Are we going to let loose on the public a situation where, if someone has sufficient punch he can screw the arm of the transport operator to get a cut in his freight rate? I imagine we want a system whereby the freight rate is set and is not dependent upon somebody ringing up and complaining or saying, "I will take my business away", or, "I have got X tonnes to come down; I will go somewhere else", in order to receive a substantial discount.

Mr Bertram: That is conventional business though.

Mr STEPHENS: It may well be, but we are talking about a situation which involved the Government in a joint venture. That is what has happened. I have been told by a transport operator from Albany that in fact concessions are being obtained now by some big retailing outlets which get their goods carted to the store at a much lower rate than the smaller operator can receive. This puts the smaller operator at a disadvantage.

I will quote another example of the experience of a small retailer in Albany in relation to a private transport operator. He had a consignment of 790 kilograms of groceries at 9.32c a kilogram, and it cost him \$73.73. The rail quote for the same item was 6.1c per kilometre, or \$48.25. That is a difference of \$25, which is rather substantial in percentage terms. On another occasion the same firm had 221 kilograms of freight sent to it at 9.3c per kilogram or a total of \$20.60. The rail quote on the same item was 7c per kilogram or \$15.50—a saving of \$5.10. Once again, in percentage terms it is a considerable difference. I

might add that the same retailer said he had been told that competitors were getting goods into store at 6.1c per kilogram; I can assume only that this would apply to the big stores I mentioned earlier. The transport operator told me that some people were getting preferential consideration. They are two examples of what is happening now.

Mr Rushton: Can you give a comparison between road and rail transport from door to door? You are giving only the rail figures; what about the road part of it?

Mr STEPHENS: I thank the Minister for that point, which I have overlooked; I did not deliberately do so. This retailer said that he collected the goods himself. When a person is saving in the vicinity of \$25, a two or three-mile trip to the railway goods store is no burden.

Mr Rushton: What about at the other end?

Mr STEPHENS: It had to be put on rail, anyway.

Mr Rushton: Someone would have charged for it.

Mr STEPHENS: These are the costs he has quoted; I can assume only that the cost to rail from the other end was met.

I find it hard to accept the Minister's assurance that the user will get a better and cheaper service. History has indicated that we will be lucky if this happens. By "history", I refer to the situation that occurred when the transport of freezer goods went from rail to road. The member for Merredin has already commented on that matter. We had the same situation in my electorate. There was virtual chaos for a considerable time and a steep increase in costs—something like double the cost. I accept that Westrail was obviously charging a rate which was too low but that rate could have been increased and the service could have been maintained and everyone would have been far happier than they were when the decision was made.

Mr Rushton: You would be aware also that the rates came down recently due to the competition we introduced *en route*.

Mr STEPHENS: I have heard that and I have also heard that one company looks like going into bankruptcy because of it.

Mr Rushton: Is it Brambles or Bell Bros Pty. Ltd.?

Mr STEPHENS: I am not going to make a statement on that matter in this House.

Mr Rushton: Those are the two companies concerned.

Mr STEPHENS: I have been told that it is neither of those two companies. I would like the assurance of the Minister that freight rates will not increase again.

Mr Rushton: With inflation at 10 to 12 per cent a year?

Mr STEPHENS: No, at a factor over and above inflation—I will accept that. We all know that in the world of competition those with great financial resources can break the smaller man and then recoup the money they have lost as a result.

The other night I instanced the case where a battery operator in Western Australia failed to get a Government contract for batteries; a company now is supplying them to Western Australia at a lower rate than it is charging the New South Wales Government, in which State they are being produced.

With a private operator being involved in a joint venture, it is only natural they will want a return on their dollar. We all know that is fair and reasonable, but at the same time the consuming public cannot be expected to pay the extra charge and I fail to see how we can get goods cheaper. With all those factors being taken into account I believe we could have a good and efficient service operated by the Government, but in a manner that would recoup operating costs. It should not run at a loss but it should try to recoup the cost of that operation. The Government would have been well advised to take note of the SWATS report and follow the recommendations it contained.

With those few remarks I support the second reading; however, I may have more to say in the Committee stages of the Bill.

MR BATEMAN (Canning) [8.16 p.m.]: This debate has gone on now for quite a long time and some members have covered many aspects in respect of the joint venture and have put forward their own points of view. It is not my intention to delay the House as far as my personal thoughts are concerned, nor is it my intention to indulge in monotonous repetition. I am concerned that this type of legislation is brought about because of the type of philosophy entering our State. It is the philosophy of the Liberal Government of Western Australia, which I describe as a cancerous growth. We have seen Hawker Siddeley Engineering Pty. Ltd. take over the State saw mills.

Mr Davies: What a bargain they got. They have not paid for it yet.

Mr BATEMAN: As the member for Victoria Park mentioned it, I will relate an incident which occurred when I was working for the Public

Works Department. We were obliged to service our vehicles at the engineer's department in East Perth and Mr Piesse—I can mention the person's name because he has now passed on—asked me to look at six newly equipped vehicles which were undergoing the required plant inspection. He told me that these were a gift to Hawker Siddeley from the taxpayers of Western Australia. It is a great shame that this sort of thing happens. I can say the same thing about the Federal Government when it handed over the whaling station. It appears that the Liberal Government's philosophy is to use taxpayers' money to build certain empires and then give them away. When I was a pay master for five years with the Australian Whaling Commission the Federal Government gave to Bob Moran & Sons all the facilities attached to the whaling station. I do not know what it cost the taxpayers to have the whale chaser built in Glasgow, Scotland, and brought to Western Australia; however, it was an absolute gift to that company.

This was another giveaway to private enterprise through taxpayers' contributions. The State Government and the taxpayers of Western Australia will not gain anything out of the joint venture. All that we will gain is the further erosion of our roads, which have been built for rickshaws—our roads cannot carry rickshaws let alone motor vehicles.

Recently I visited the member for Collie in his electorate and the number of trucks on the road made it impossible for one to overtake them. The trucks covered the white line and the kerb.

Mr Watt: They do not.

Mr BATEMAN: These trucks can each carry over 200 tonnes of ore or other material. They damage the roads, and we cannot expect the taxpayers to pay for their maintenance. The fettling and upgrading of our railways does not cost much at all. Once the rails are laid, they are there for all time.

Other countries which have closed down railway systems have brought them back into action. Railways have been found to be the most viable system of transport. By no other method can so many people or so much freight be shifted.

We know what is happening in Western Australia. There has been this cancerous growth as the Government has whittled away our railway system. The Mullewa-Meekatharra line was closed down.

Mr Rushton: You would be delighted with the results.

Mr BATEMAN: Then the Perth-Fremantle line was closed, and now the Boyup Brook-

Katanning line has been closed. The road trains will cause untold damage to the roads. As I have said, our roads are not even fit for rickshaws any longer. Mr Acting Speaker (Mr Trethowan), you know what has happened to the roads around my area. Heavy trucks from the Swan Brewery Co. Ltd., G. J. Coles & Co. Ltd., and the prison have caused enormous damage. I give you full credit, Sir, that you are prepared to listen to the complaints that have been made. The councils involved should be castigated to the limit for not approaching you. I am sorry—I am straying from the Bill.

Mr Rushton: Remember with Hawker Siddeley, you leased the brickworks. Never before was there full production, and yet the brickworks made a loss.

Mr Evans: No way—not the brickworks.

Mr Davies: You could not run them efficiently.

Mr BATEMAN: We know it is all too easy to criticise any Government, but we must remember that monuments are not built to people who criticise. We are entitled to criticise, but we do not get much credit for criticising. In our role as an Opposition, we must oppose schemes that we do not think are right. We want to point out that it will be a sad day for Western Australia when our railway system is taken over by private enterprise. I cannot see that the taxpayers of WA will gain anything by this project. It will just add to the profit going into the pocket of this particular transport company—Mayne Nickless Ltd.

I referred earlier to the cancerous growth that is eating up our railways. I wish that the member for Subiaco were here—perhaps he could give me the correct medical term for what is happening.

Mr Coyne: Don't bet on it!

Mr BATEMAN: I believe that eventually the Perth-Bunbury-Australind line will close, and the Wagin-Dowerin line will close also. Although I may not be alive to see it, eventually all these lines will be reopened to cope with the ever-increasing demand for the cartage of such products as wheat and wool. Our roads are just not good enough to take this traffic. Members who have driven to Northam are well aware that that road is not good enough to take heavy trucks. My estimate is that the cost of maintaining roads will rise tenfold when this joint venture comes into operation. As I mentioned, the maintenance of the railway lines will be cheap in comparison.

Mr Sibson: How do you explain that in New South Wales—

Mr BATEMAN: I would prefer to address my comments to the Minister. I would rather talk to someone with brains.

Mr Davies: Don't praise the Minister too much.

Mr Sibson: You are afraid to front up to the question. How do you explain what has happened in New South Wales?

Mr BATEMAN: I prefer to address my remarks to the Minister rather than to talk about New South Wales.

Mr Sibson: The roads there are shocking.

Mr BATEMAN: Mr Acting Speaker (Mr Trethowan), that member needs a little talking to, I think.

Mr Davies: That is right.

Mr BATEMAN: An article appeared in today's edition of *The West Australian* under the heading, "Rail joint venture may hit charities"; in it the Minister is reported as having said much the same as he said on the radio news this morning. It reads as follows—

The Minister for Transport, Mr Rushton, has told Parliament that satisfactory arrangements may be possible.

This may be a very small matter to the Minister, to Westrail, and perhaps to the Government; but it will affect many people if the goods which are donated to charities cannot be transported free of charge. Members will note that the Minister said satisfactory arrangements "may" be possible. This matter will be taken right out of the Government's hands—the staff of Mayne Nickless will decide what is and what is not possible. The member for Bunbury ought to worry about the people who will miss out on these donated goods rather than tell us about what is happening in New South Wales. The people at the Kurrawang Aboriginal Christian centre near Kalgoorlie will be affected because of the loss of this concession.

Mr Sibson: Airlines fly people all over the world if cases are deserving. The private sector does it.

Mr Pearce: It is more expensive then because they have to make a profit.

Mr Sibson: That is a nice clean word—"profit".

Mr Pearce: It is a word that makes for greater expense, though. The Government is running things at cost and private enterprise runs things at a profit.

Mr Shalders: It simply means greater efficiency.

The ACTING SPEAKER (Mr Trethowan): Order! If the member for Canning will address his remarks to the Chair he will be clearly heard.

Mr BATEMAN: I appreciate your intervention, Mr Acting Speaker. The member for Bunbury and members on this side of the House were having a debate across the Chamber. Perhaps I can finish my speech and we can get on with the business of running the House.

Again I refer to the trucks which are taking over. I will not ridicule the truck drivers who operate in the north-west and across the Nullarbor. They are the most respected gentleman drivers one could find anywhere. If one ever broke down in the north-west or on the Nullarbor, in a desolate area, a truck driver would be likely to stop and help.

Mr Sodeman: Hear, hear!

Mr BATEMAN: I have travelled the north, and I know that. Yet I read about the "big bullies" on the highway, and that upsets me because they are not big bullies. They do have large vehicles, and they create a danger on the narrow roads. All members of this House would know that.

I was towing a caravan, and one of the big semi-trailers zoomed past. The vacuum from the truck dragged my caravan towards the semi-trailer. That sort of thing is a danger. It applies not only to people dragging caravans, but also to people in their own vehicles. One can feel the suction and the car being drawn towards the truck. Therefore, the trucks are hazards on the road, and we will increase the hazard by bringing about this rail joint venture.

I reiterate that the roads cannot cope with the increased traffic. They cannot cope with the present traffic load. The roads are becoming more congested. No matter where one drives, no matter where one goes, one finds the trucks.

Recently I went to Bunbury to see the member for Collie; we had a little sojourn in Bunbury. Four of these great vehicles were in front of me, and I just could not pass them. They own the road. This sort of thing aggravates drivers and causes accidents.

If one goes by rail, the train waits in the various sidings for traffic to pass. One knows where one is going, and no hazards are experienced. Rail is the safest mode of transport in the world today. It has been so in all the years that I can remember.

We will rue the day that we allowed Westrail to run down. We are reaching that point. Eventually we will have to pay millions of dollars to have the whole system upgraded. Then the

member for Murchison-Eyre will see railway lines through his electorate, because things will blossom and the State will boom again. That will apply in our mining industries, and in all other industries. We will have to spend a lot of money to reintroduce our railway system, which we have ignored and allowed to go down the drain. It will be a sad day for all of us when we have to meet the cost of reintroducing the railway system, to bring us into line with the other States of Australia, and to provide transport for the cartage of goods for all and sundry—the farmers, and the people in the cities, no matter where they be.

It gives me no great heart to read the Bill which we are debating tonight, which is designed to bring about a rail joint venture. I am sure it will be a black day in the history of Western Australia—yet another black day as far as our railway system is concerned—when this legislation is passed. I have said, and I repeat with monotonous regularity, that we are seeing our railway system slowly disintegrating into nothing. We are seeing big buses and trucks on roads which were built only for rickshaws.

I oppose the Bill as vehemently as possible.

MR WATT (Albany) [8.33 p.m.]: I should make a few comments in this debate to indicate my support for the Bill. Obviously it will affect country areas, and as the representative of a country electorate I should indicate my position.

Mr Jamieson: You will be sorry.

Mr WATT: Time will tell, will it not?

The Opposition still has to face up to one particularly interesting question. It likes to throw in a few comments, but it has refused to answer some questions. One such question is: Do members of the Opposition favour or support deregulation of transport? Often repeated calls for an answer to that question have brought a negative response—in fact, no response at all.

Mr Jamieson: I gave you a response when I was speaking. I said it was going to do much damage.

Mr WATT: It is vital to all areas outside the metropolitan area that they should have an effective, efficient, and economical transport system. The transport system in the country has been studied for some years now. Initially, to try to gauge a reaction from the community, the Government set up the Southern Western Australia Transport Study, otherwise known as SWATS. That study was an extensive and exhaustive process in an endeavour to find out exactly what the people wanted. Meetings were held over the length and breadth of the southern half of the State. The members of the study team went to some places as many as three times to

gauge the requirements of the people of the various areas.

When the recommendations were released, it was interesting to learn that two very significant recommendations had been made. One recommendation was for the establishment of a separate organisation for handling what we now refer to as "smalls traffic"; and the name suggested was "Westfreight". The other recommendation which was made very strongly was for deregulation of the transport industry generally.

A few moments ago the member for Canning spoke about the use of road trains, and road transport generally. One cannot question the fact that the road transport industry in this State is a highly efficient and competitive industry. However, a very definite difference of opinion exists about the effect of road transport on our roads. The member for Canning suggested that road trains knock the roads around, but a strong body of professional and engineering opinion suggests that they cause less damage to the roads than semi-trailers or single trucks. Far be it from me to argue one way or the other, but I point out that, even within professional bodies, a difference of opinion exists.

The recent announcement to which the member referred was a statement made in Albany on Friday indicating that the Government had decided, on an experimental basis, to allow the use of road trains to cart livestock from Bedforddale Hill to Albany—

Mr Bateman: You will rue the day.

Mr WATT: I do not believe I will rue the day.

Mr Bateman: How can a person in a motor vehicle pass them? Have you tried to pass them?

Mr WATT: Yes, I have. The member does not understand that, in the Albany area, we have road trains running regularly, carting grain. The area to the east of Albany has never had a railway, so it is served by road trains which come into Albany fully laden with grain. I am not sure of the all-up weight of a road train, but it is very heavy.

The road trains travel over roads that are narrower and more hilly than, and generally in not as good condition as, the Albany Highway; yet they do not create a problem. When loaded with livestock, they will weigh less than the road trains in Bunbury about which the member spoke, and less than the road trains that cart grain.

In view of the financial advantage that the road trains will give to the local abattoir, I say quite unashamedly that I support the decision to allow

them to run to Albany. I hope that decision will have long-lasting effects.

Mr Jamieson: If they are so good, why is it that no other country in the world permits them?

Mr WATT: The fact that the member for Welshpool makes that statement does not necessarily make it right. We happen to live in one of the biggest countries in the world. Its scattered population justifies an efficient road system.

Mr Blaikie: If you go to the Hunter Valley and see the amount of coal that is hauled by road trains there, it does not support what the member for Welshpool said.

Mr WATT: The member for Vasse has opened up an area on which I wished to comment, because he referred to the position in New South Wales. I understand the railways unions are suggesting the railways themselves should establish an organisation which would handle small freight, which is along the lines of a recommendation contained in the SWATS report. Deregulation has occurred in New South Wales and an organisation has been established for this purpose within the railway system. This is proving to be extremely uneconomic and massive losses are being incurred. They tell me their declared loss is in the order of \$80 million a year, but if the real deficit were declared, it would be in the vicinity of \$500 million a year.

Mr Pearce: Who are "they"?

Mr WATT: We all have our sources of information. If I was quoting from a document, the member for Gosnells would ask me to table it, but I am not doing so, therefore, he cannot ask that.

Mr Pearce: You are asking us to take your word for it.

Mr WATT: I would not take the member for Gosnells' word for anything.

One of the sad aspects of the times in which we live is that to achieve efficiency in all areas of commerce we frequently have to reduce the manpower content. If any component of an operation is overmanned, clearly that saps profits and increases costs unnecessarily. This is what has been happening in the smalls traffic area of Westrail.

If the Westrail organisation tried to establish its own small freight handling operation, clearly union resistance would make natural staff wastage much more difficult; therefore, it would be virtually impossible to achieve the economies mooted for the joint venture.

The joint venture would be able to attract resources, finance, and expertise which the railways could not achieve. There is no doubt, especially in the area of expertise, that the commercial approach to marketing and other aspects of transport operations will be a key ingredient in ensuring the success of the joint venture.

As members are aware, quite recently we saw the deregulation of the freezer-chiller service. As far as Albany was concerned, that move was fraught with many problems. In fairness to OD Transport Ltd, the firm which took over that operation, it must be acknowledged the changeover occurred at very short notice right at the commencement of summer. That was unavoidable and occurred as a result of problems in the rail operation, which were perceived by the Public Health Department. OD Transport did a remarkably good job in quickly overcoming the problems and introducing a very efficient system. According to examples given to me, people are now able to obtain certain commodities at a lower cost in Albany, via the new system, than they are able to buy them in Perth and rail freight them down. We are quite optimistic the same situation will result from the joint venture.

At the moment rail freight rates are artificially low. The Government might have done itself a favour had it increased freight rates to a more realistic level—perhaps still subsidising them to some extent—before introducing this measure, because it is inevitable freight rates will increase simply because we live in a highly inflationary age. Whenever rates increase, knockers will say it is because the joint venture is not working properly and, as generally happens, they will fail to take into account inflationary pressures.

Earlier the member for Stirling quoted a few examples where the joint venture will work to the disadvantage of some people. However, it is always possible to choose examples, and inevitably the worst ones are used to demonstrate the point of the argument; this can be very misleading. Whatever the eventual cost turns out to be, I am optimistic the joint venture will be able to provide a service at more competitive rates. This will be achieved through the market forces which will operate, because deregulation will be associated with the commencement of the joint venture operation, so the consumer will have freedom of choice. The joint venturer will not be the only organisation operating in the transport of small goods; therefore, it will have to be competitive if it wants to keep its share of the market.

As I said previously, because of the expertise which will come from private enterprise, the new system will be more efficient and it will offer a better service. It is inevitable uncertainty as to its operation will exist initially. It is up to the Government to ensure that problems are dealt with in a realistic manner and that the promised service is provided. In the long run it will be in the best interests of the people outside the metropolitan areas of this State.

**MR BLAIKIE (Vasse) [8.48 p.m.]**: This Bill is probably one of the most historic pieces of legislation introduced into this House in the 12 years I have been here.

**Mr Davies**: Cut it out!

**Mr BLAIKIE**: For the first time in almost 100 years, the legislation seeks to deregulate certain commodities away from rail transport.

**Mr Bateman**: That is an odd word for "giving away".

**Mr BLAIKIE**: Previously these commodities were almost entirely transported by the railway system.

As a result of the circumstances which pertained when the railway system came into operation many years ago, it needed protection. The railhead did much to open up Western Australia and many commodities were carried to small communities virtually exclusively by rail. Cream was transported by rail from various outlying centres to factories be they situated in Narrogin, Katanning, or other areas of the State. That was one of the very important functions of the railway system. It provided a link between communities and, for many years, it serviced a wide area of the State. Indeed, the railways were virtually the sole carriers of all the produce of the State.

Prior to 1957 the railways were the transporters of carcase meat to the Metropolitan Markets in Perth, because no alternative form of transport existed. How many members of this House would expect the railways to carry cans of cream and carcasses of meat today?

**Mr Watt**: Those products would be off by the time they got to their destinations.

**Mr BLAIKIE**: Over the last 20 or 30 years deregulation has taken place for very sound and valid reasons, two examples of which I have just mentioned.

I turn now to the Augusta-Margaret River Shire with which I am familiar. In 1957 the Government of the day saw fit to close the railway line which operated between Busselton and Augusta. At the time the whole community

was most distressed about the loss of their railhead. It affected not only the Augusta-Margaret River community, but also the community at Busselton. The area south of Busselton was without a railhead. I venture to say that if one asked those people whether they wanted the railhead back again the answer would be, "No."

Mr Bateman: How would you know that? Have you tried it? Have you had a little experiment?

Mr BLAIKIE: Yes, I have had a little experiment with it and experience of it. I will give the House some of the reasons that that is the case. The Augusta-Margaret River community had to make alternative arrangements. When the railhead was closed down the community did not have the advantage of deregulation of the number of goods because Western Australian Government Railways, as it was at the time, instituted a road transport system to cover the area. The introduction of that system created a further burden—that of double handling. Goods would be delivered to the railway in Perth and then transported to the railhead, whether at Bunbury or Busselton, and handled again into the Government service for distribution. When the goods arrived at the sidings they were handled once more.

Over the years many representations have been made to successive Governments for the introduction of transport deregulation. That has now been done. The community is now able to obtain a wide range of goods and services. People now are able to use any number of private carriers for goods which are currently deregulated and the goods are carried very competitively.

It is only a few years since perishables were included in the range of items to be deregulated. This gave people involved with fruit and vegetable shops the opportunity of carrying goods if they wished to do so. At the time I had bitter complaints—as, no doubt did many other country members—from local storekeepers about, for example, crates of lettuce they had to throw out because they came from Perth overnight and had to stay in hot rail vans for 24 hours before the storekeepers received them from the railways.

Mr Davies: Do not forget the complaints about OD Transport Ltd. There have been more than a few complaints about that company.

Mr BLAIKIE: That was not the fault of the railways. The rail system did the best it could, but it could not provide the fast overnight transport for these goods. The member for Collie and the member for Warren represent areas where the transport of fruit has been deregulated. They

know that farmers are able to cart their own goods to ensure that those goods arrive at the marketplace in premium condition. Deregulation has been of great benefit to them. I will pause to enable the member for Collie and the member for Warren to signify their agreement with that.

Mr Evans: I will send you a case of fruit payable at the other end. See how you will go then.

Mr Rushton: What—60 cents?

Mr Watt: Better still, slip a case into the boot when you come up from Manjimup.

Mr BLAIKIE: The deregulation that has taken place has been to the benefit of the people in the industries I mentioned, such as the fruit industry.

Mr Bateman: It has been to the benefit of the transporter of the goods, not the producer. It has cost the producers 10 times as much.

Mr BLAIKIE: The member for Canning raises an interesting point and I will take it up in a moment. Deregulation has benefited people in the industry and they have been able to market their fruit in a better condition. That in turn has been to the great benefit of consumers.

Mr Bateman: It has not been of any benefit to the consumer. It is an impost.

Mr BLAIKIE: The consumer has been able to buy goods which do not have the damage or bruising normally associated with those held in transit for long periods. As a result of the deregulation of fruit the grower can pick the fruit, load it onto his truck, and transport it to Perth where it is available to the consumer after virtually one handling operation. Goods transported by rail go through a series of handling operations. Accidents can happen and the railways will be blamed. The damage was caused by the number of times the goods had to be handled. So there has been benefit to the consumer.

Mr T. H. Jones: Tell us about the effect on our railways.

Mr BLAIKIE: The member for Collie and the member for Warren would be aware that the production, marketing, and sale of potatoes is of prime importance to their electorates. Like mine, their electorates are prime potato producing areas. It is only a couple of years since the transport of potatoes was allowed to be deregulated.

Mr Evans: Why don't you allow Westrail in on this traffic? Why don't you allow it to compete?

The ACTING SPEAKER (Mr Trethowan): Order!

**Mr BLAIKIE:** Deregulation meant that the owner of the goods had the right to choose the medium of transport he thought was best.

**Mr Harman:** What choice did he have?

**Mr BLAIKIE:** In my area most of the potatoes are transported by road. They are loaded on the property and in one operation they go through to the markets in Perth. It is the same as the apple story. The goods have been delivered in far superior condition and it has been of benefit to the consumers, and certainly to the growers. The growers have been able to determine which mode of transport they feel is the best. It is a situation where everybody wins.

**Mr Evans:** Why not let Westrail participate? Why have you denied it that? Westrail has not been allowed to participate, and you know it.

**Mr BLAIKIE:** If Westrail wishes to participate under these deregulated conditions, no doubt it will do so.

Let me assure members that these concessions have been most important. Again I say that the introduction of this Bill represents an historic occasion.

**Mr Davies:** No-one knows what it is.

**Mr BLAIKIE:** Time will tell whether the argument from members opposite or that from Government members is proved correct. I believe the Government's proposals are correct. Because of deregulation we will find that proper market pressures will operate. Westrail and the Government transport system will be able to operate in harness with a private enterprise partner. They will be able to go to the marketplace and be a competitive force. This will allow people in country areas to have a right of choice as to whom they wish to cart their goods. That is most historic and important.

I repeat: As a result of this deregulation, for the first time people in country areas will have the right of choice. That is a most important and desirable situation. I support the Bill.

**MR RUSHTON** (Dale—Minister for Transport) [9.02 p.m.]: As the member for Vasse has just said, this is indeed an historic event, not so much as it relates to the joint venture but as it relates to the support that the legislation gives to deregulation, freedom of choice, and the commercialisation of Westrail.

**Mr Davies:** Freedom for whom?

**Mr RUSHTON:** There will be a big advantage for Westrail, taxpayers, and customers.

**Mr Davies:** Don't be so useless with words. Freedom of choice—what nonsense!

**Mr RUSHTON:** Has the member for Victoria Park finished the demonstration of his spleen?

We have had speakers from the Opposition, the National Party, and the Government, and I thank them all for their contributions. Certainly the Government members have been very aware of the implications and changes involved with this legislation. I thank those Government members for their able evaluations and presentations.

The Opposition speakers were somewhat confused.

**Mr Evans:** So is everyone else.

**Mr RUSHTON:** They have not paid attention to what is involved.

**Mr Davies:** A six-minute speech for legislation like this.

**Mr RUSHTON:** The Opposition does not seem to be aware and seems to find it hard to accept that Westrail has put forward this proposal as the best means to see Westrail progress in the transport system.

This legislation has meant that the Opposition members have had to stand up and be counted. For months we have had people like the Leader of the Opposition changing comments made by the Government and then speaking to members of the public. He thought he was gaining some ground, but on this occasion he has had to identify where he stands and what he will do. However, we have not been able to get him to do that except to say that he would remove the joint venture if his party came to power. From what I understand of the Leader of the Opposition, he would completely destroy Westrail if given the chance.

This legislation has shown that the Opposition members are against deregulation, although in some utterances in the Press they have seemed to indicate their support for deregulation. They support competition, but how can we have fair competition without deregulation? That shows the Opposition's confused approach to this subject.

Western Australia comprises 2.6 million square kilometres, so it is easy to see that transport is a prime economic force in this State. In the years to come this Government will be applauded for the very positive steps it has taken to ensure this State has the most effective and most economic transport system in Australia.

I will deal with the broad issues first, and then I will deal with items as they were raised by members. I have read the transcript of the contributions made on Thursday and I must say that the interjections and carryings-on of members opposite were very inadequate considering the importance of this Bill.



The Opposition is flying in the face of opinion on deregulation and competition, because country people have indicated their support for what we are doing. The SWATS report indicates support for what we are doing; decisions made in South Australia, NSW, and Victoria, indicate support for what we are doing; decisions made over a long time in England, Canada, the USA, and even socialist France, indicate support for what we are doing.

Anyone who has taken the opportunity to read the SWATS report recommendations would know that they highlight the fact that we have been over-regulated onto rail and that we have not made the best use of our resources. These steps are being taken to obtain a better use of our energy and our full resources available in the transport area.

In recent times we have amended our railway legislation to allow greater freedom of choice; in fact, we have removed the common carrier obligation, which was most important. All this has prepared the way for changes that are now taking place in our transport system. Westrail has been receiving greater freedom and it has been able to contract door-to-door for the cartage of goods using contract transport or, where that is not available, using its own vehicles.

The financial objective of the Government, which it has pursued very strongly, is the holding of deficits wherever it can and identifying the social services. From the commercial component of the deficits we are working towards a programme which will hold down the deficits. This is already happening in the various subsidiaries within the transport portfolio in this State.

I will comment now on how this policy was created and how it has reached the present stage. Some members referred to the SWATS report and the consultation that took place in its development. When I was appointed Minister for Transport the report had just been released, and as those who have read the report would realise, there was no actual move spelt out for the implementation of its recommendations. We had to give that point consideration.

I took the matter to the Government and received its support to consult with the country people in order to understand what their wishes were and what they thought of the findings of the SWATS report. I did this over a period of nearly 12 months. From memory, I attended something like 28 centres throughout the State and received some very valuable input from people who were basically customers of our transport system.

The decisions made at that time were based on consultation with the users of the system—the customers. We put forward our policy based on a seven-year implementation with a gradual process of moving from regulation to deregulation with freedom of choice and commercialisation of Westrail.

Members will remember that in the first year we introduced zones of 150 kilometres in areas outside the metropolitan area, and 100 kilometres at regional centres. After 12 months of that system it was found not to be competitive and we increased the zones to allow the legal limits of loads to ensure a competitive position existed. We were able to monitor the situation to determine where we would go from there. The next step was to extend the zones again, and my thoughts on the considerations being given led me to envisage a dramatic provision, because the considerations related to extending the metropolitan zone to 225 kilometres which would have taken it to just short of Merredin and Katanning. As far as I was concerned, that would not have been a satisfactory position. At that time Westrail came forward with the recommendation that a joint venture should be formed, with the conclusion that through that method Westrail would be able to support deregulation in regard to small goods to the balance of the State. To me that recommendation was welcome, and something to which I gave close attention.

Obviously I wanted to evaluate the recommendation and understand why Westrail would recommend a joint venture as against the proposed Westfreight, a proposal which some people have mentioned this evening. As I considered the details it became obvious why Westrail should recommend a joint venture.

I hope I can explain to members of this House who have doubt about the joint venture, as evidenced by their speeches, why Westrail's philosophy regarding the joint venture should supersede the "Westfreight" proposition, and why that proposed organisation would not be able to carry out the tasks required of it in the same way as the joint venture will. Westfreight would have to have the same resources as the joint venture will, such as a similar number of staff, flexibility, and the ability to provide similar services. It was fairly well understood that this would be necessary, as put to me by Westrail and others advising me.

For those members who have asked why the westfreight philosophy was not introduced as a part of Westrail, I will give the reasons. It was considered by Westrail that it would not be able to obtain union agreement to adjust long service

leave entitlements from seven years to 15 years, the flexibility of two drivers to one driver, and all sorts of other conditions applicable to employees of Westrail as against employees in the private sector. Members would understand that the costs would more than double if Westrail introduced a Westfreight service as against operating in the joint venture.

The urge behind Westrail not following the Westfreight philosophy was that if it adopted another zoning without an adjustment in costs and rates, it would lose freight, and its assets would become worthless; therefore its employees would become redundant. What will happen with the joint venture can be understood when considered in this light.

People have questioned the leasing of Westrail's assets. If we had continued with the zones, as it has been put to me and as I understand the situation, the assets that will now be leased and returning an income, would not have been earning an income. In addition, we would have lost freight and would not have had jobs for our employees.

Many misimpressions were evident in the remarks made by a number of members, and certain points relating to transport were put forward in the wrong context. I will run through them, although not in any specific order.

The matter of the Comet service introduced for people in country areas was referred to. It was an express service introduced some time back in a manner not competitive with Westrail; the rate was something like four or five times the rate charged by Westrail to ensure that people who used the Comet service required it urgently. If they did not require it urgently they could use Westrail or some other transport means. People must understand that situation.

At the meeting at Mt. Barker to which the member for Stirling referred, people raised the question of the Comet service and they said, "Look what is happening with Comet." On or about 1 July as this legislation comes into effect—as it needs to—the present Comet charges will apply no longer; there will be a competitive position with no control on the present rate. In fact, there will be a considerable reduction.

Mr Stephens: So there should be, but what is the assurance? I gave one example that didn't involve Comet at all.

Mr RUSHTON: The member knows very well, and so do I, that the discounting of rates is occurring, which means that when transporters are able to decrease their rates openly they will do so. The Comet express service will be able to take

the express deliveries into some of its ordinary services, and the costs will be very much reduced.

The freezer-chiller service was referred to, and as I think the member for Merredin rightly said, the changes that took place were to a large degree required by the Health Act. My predecessor was responsible for that matter, and at that time the amount of capital required to be invested in refrigeration and other sorts of equipment was prohibitive. When the proposal was evaluated it was considered not reasonable for Westrail to gear up for the task, especially when it was known that complementary equipment would be needed for transport to and from the rail. At that time it was admitted that the service was earning something like 25 per cent of its cost, and some people said the freight rate should have been increased, but it would not have been realistic for capital to have been provided and still not give us a complete service.

I was pleased to announce and have introduced recently competition in the south-west in regard to freezer-chillers. Anybody who wishes to introduce such a service on these mainline hauls can do so. To my mind we have two main operators to the main centres, and my understanding is that the present situation has meant a reduction in freight rates.

Points were made in regard to Westrail's being allowed to run down, but those points were false. Some members on the Government side were good enough to indicate the work of ARRDO. It is an organisation of competent people from the railway systems of Australia, and it has reflected the creditable performance of Western Australia's railways. I want members to understand that if Westrail had not acted in the very competent and efficient way it has, we would have deficits of well over \$100 million, whereas last year the deficit was something like \$37 million.

The opposite would be the case. Instead of the most efficient railway system in Australia, we would be moving towards other systems such as exist in Victoria, New South Wales, or Queensland. Of course, there is also the national service which is funded by some grants. The service which has the greatest opportunity for performing on a balanced basis is, of course, the Queensland service where some royalties go into railways income. There are good line opportunities, but what has not been done is the adjustment of numbers and resources to make railways efficient.

In New South Wales the railways have been deregulated, but that State did not adjust its resources and has a surplus of manpower. New

South Wales' deficits are above half a billion dollars when one combines the direct costs that are released plus the ones held within Treasury and not commonly known.

I will just mention some figures that indicate that Westrail's position compares favourably in relation to the total Australian system. Between 1968-69 and 1979-80 rail deficits throughout Australia rose from \$169 million to \$772 million, an increase of 450 per cent. During that same 10-year period Westrail's deficit ran from \$19 million to \$28 million, an increase of less than 50 per cent. The comparisons can be readily seen. Australian deficits constitute in excess of 5 per cent of the State's Consolidated Revenue budget. Westrail's deficit stood at 1.7 per cent. The States' railway systems deficits *per capita* of each State's population ranged from \$48 to \$64 when Westrail's was \$22.20. The statistics are very favourable to Westrail and I must give great credit to what Westrail has done over a long period in making it such an efficient organisation. Obviously, more can be done and its recommendation relating to this joint venture is consistent with its previous work.

I have indicated to the House that it is more economic to use the joint venture suggested and not the Westfreight concept. Another item which has been of great interest recently was the grain contract negotiated between the grain industry and Westrail. It was another historical event which did not seem possible within the time allocated. Members of the House will remember that the pressure was on for change. The farmers were complaining that they were not receiving comparable considerations to the mining companies and I invited them to participate in this research and to join together with the grain industry as a group. They did this and history was made; now, grain freight rates are removed from the political arena.

The free freights for charitable organisations were mentioned in the debate. Approximately 19 organisations have received free freight from the Westrail system. These have been supported to some degree by Treasury and I believe there will be consideration given which will enable this to be sorted out as we go a little further with the introduction of this new policy.

Westrail and farmer members in this Parliament will realise that for many years now the farming community has been suggesting that the social services content of Westrail should be identified and not cross-subsidised by the farmers with their wool, grain, and other commodities. The true cost of these free freights should be ascertained and where Governments are

supportive of it, they should be paid for by subsidy by Treasury. There is no reason that private industry should not play its part in making some contribution to ensure these people receive a service.

An interesting item that has been bandied around tonight was the question of Meekatharra costing more money. The Commissioner of Transport worked out some figures in a hypothetical situation. For the year 1976-77, the calculations are based on the 1982 road and rail freights. It is interesting to note from the selection of these items of timber, wool, fruit and vegetables, cement and lime, machinery, oil products, beer, "B"-class, and first and second class goods, that Mt. Magnet's actual savings by using road transport in this period of time has been \$41 497; for Cue, there has been a saving of \$23 974; and, Meekatharra experienced a saving of \$62 595. That is very interesting and disputes the claims made by those who have not given enough thought to the matter.

We heard from the member for Murchison-Eyre—who, of course, knows what it is all about—that the communities in those areas have given great support for what has been done. I have had commendations from the committee which monitored that area relating to the freight services and costs. That indicates what can be done by people applying themselves and being very sensitive to change and introducing changes with the very good intention of reducing costs and giving a very adequate service. This can be done in many ways. With the opportunity of freedom of choice, people will backload their vehicles to give them a cost advantage. They will carry other people's goods which they cannot legally do now. One can imagine what could happen. Remember the case of apples that the member for Warren has mentioned? It could be that the neighbour might bring up the case of apples. The bulk cartage of apples from Manjimup is about 60c a case now, which is a far cry from his \$23 a case.

Mr Evans: You watch it, or I will send you a case, too!

Mr RUSHTON: Jolly good! I would be delighted to receive it.

Mr Old: Don't threaten like that!

Mr RUSHTON: The member should transport them in his car and drop them off. People will be able to do that and they will not be breaking the law. Already we know that apples can be carted from Manjimup in bulk for approximately 60c a case. That represents the other side of the story. The member for Warren is entitled to his presentation and I am entitled to present the

argument the way I think gives a more faithful and true representation.

Mr Evans: They have to go in bins on semi-trailers.

Mr RUSHTON: The other point raised by members opposite was that they would decline or would seek to change the deregulation exemptions allowing the farmer to transport his own wool, mohair, and chaff.

If they wish to go on the hustings on this matter, they can. I had been asked to give consideration to this issue and I saw it as an anomaly. Transport to and from a farm is very important. I am now receiving pressure from some sections of the PIA which believe we should take the next step relating to contractors being able to cart wool. As far as I am concerned, we have a responsibility to maintain a viable railway system and Westrail is dependent upon bulk goods. With all the changes that are now taking place, it is not opportune to take the next step now.

We need to retain bulk tonnages on rail and as time goes by, with the removal of this deficit of "smalls" out of the system, we look forward to the time when the freight rate on "bulks" will be competitive with any other mode of transport. By attaining this objective the Government will be achieving its aims in relation to transport. We, as an export nation, need a rail system that is free of unnecessary costs and which will transport products from within our State at the lowest rate.

During the debate mention was made of private carriers' concern—and I share this concern—that they should play a full part in the servicing of smalls freight. I am aware, as is the member for Bunbury, that there is a great interest among carriers to organise a depot in Perth from where they can operate. They could have a good chance of sharing in the general freight and if they win the support of country people—and they should have built up goodwill by now—there is every reason they can share in it. I visited Geraldton recently and the carriers are gearing up to participate. Last weekend I met a carrier from the member for Merredin's electorate and he advised me that he was making approaches to storekeepers in order that he may carry their freight for them. People in Williams and Kojonup advise me that the change cannot happen quickly enough for them.

I refer now to items raised by members during debate. In general terms I have covered the question of why we have a joint venture and not a "Westfreight" company. I was asked what the

joint venture company would do and my answer is as follows—

The company will handle smalls traffic—that is, parcels, less-than-carload and some wagon load, but excluding private siding traffic, in competition with any other transporter.

Smalls traffic constitutes approximately 325 000 tonnes per annum or two per cent of Westrail's freight.

It does not include ores, minerals, grain, bulk oil, fertiliser, wool and timber.

A further question is—

Why concentrate on smalls?

Deregulation of the system is the only way, as I have already explained, that Westrail is able to retain its asset value and it is the most economic way of doing it and contains less adverse experience for the employees. The Government has decided on deregulation of "smalls". This was inevitable because people will not accept regulation when there are better alternatives. People will not accept the anomalies created through regulation and they have sought this system, which will be beneficial to them.

Westrail has studied the situation and looked at four options. These options are: No change—of course, if we had no change we would see the situation occur where we would lose freight and have assets worth nothing, and we would then have redundant employees. The next option is regional freight centres which has been tried and which failed in Vicrail. The next option was the joint venture company—which we opted for—and the last was to get out of "smalls" entirely. To get out of smalls would have meant that we would have had something like 780 redundant people, and assets worth nothing; Westrail would have suffered a considerable loss if it had done it in that way.

The issue is much better understood now. Members on this side of the House have presented a case which shows they have understood the situation. I hope members opposite will be fair in at least acknowledging that we have consulted the people throughout the country in developing firstly the report, then the policy, and now the implementation.

The Opposition made a strong political challenge on this issue. The Labor Party, with the union, geared itself up to challenge the legislation, but members will note that in recent times, the campaign has fallen off somewhat. No doubt, in recent times, employees have conveyed to

members opposite that this Bill would be of advantage to country people.

Several questions were raised during the debate. The member for Kalgoorlie asked what were the responsibilities of the management services. The answer is as follows—

Computing services—transferred from another branch of Westrail; economic planning and evaluation; and operations and cost research. It services the entire Westrail organisation.

#### Costs

It is not valid to compare the 73-74 costs—part year only—with today's costs. The bureau became fully functional in 1976. It also involved reassignment of staff already working in other branches of Westrail into the management services bureau.

The next question asked by the member for Kalgoorlie related to Westrail staff. The answer is—

Reductions of positions in Westrail will be achieved by a policy of non-replacement resulting from productivity improvement.

Also there is a large amount of accumulated leave to be cleared. People will be used on leave clearances and be given other positions within Westrail.

In regard to 12 months' secondment to the joint venture the people concerned will be able to choose to return to Westrail after that period has elapsed. They would then be allocated a similar position in Westrail as if they had decided not to try the 12 months' secondment.

Mr I. F. Taylor: Therefore, what it means is that Westrail—in which you have these additional employees—is going to be less efficient because in effect what is happening is it is carrying 400 or 500 employees even though it does not have the responsibility of the freight tasks.

Mr RUSHTON: There will be a certain amount of accumulated leave which will reduce the number somewhat. If we do not make these changes we could have 780 people there unnecessarily for all time.

Mr I. F. Taylor: Not unnecessarily. They should be providing a vital service to country people instead of the service being reduced.

Mr RUSHTON: This is a much more economical way of doing it; every 100 people in the system is worth about \$2 million in total costs.

Mr I. F. Taylor: You are putting economies first and they do not always come first. In this

case, the Westrail services provided to country communities should come first. That is the crux of this argument.

Mr RUSHTON: This is something to which I have given close attention. It goes back to the recommendations in the SWATS report that social services should be paid by taxpayers and not Westrail. Westrail should be able to be competitive and it should have all the incentives of competition so that it can perform in the best way possible.

Mr I. F. Taylor: If you want it to be competitive, why not make it fully competitive?

Mr RUSHTON: The member for Kalgoorlie must have been out of the House when I explained that position. It is not very hard to understand. Westrail looked at the situation of having an organisation such as Westfreight. However, the employees would not be able to retain the conditions which they have won over the years. Westrail would lose the value of its assets and it would be in a real pickle.

I recall very vividly the occasion that I invited union representatives to see me on this matter. This was a long time ago, and the question put to me was, "Why shouldn't we operate this service?" I said, "Why not?" The unionists said to me, "We have won the following conditions: Two men to a truck, long service leave in seven years instead of 15, and all the other conditions." I think they realised that they had answered their own question. I asked them to come forward with suggestions.

Mr I. F. Taylor: It would not be necessary for those conditions to flow through to Westfreight. It would be a separate entity from Westrail, sure, but it would not be necessary to have all those conditions.

Mr RUSHTON: I fully agree. The advice was that it could not be accomplished in that way and so it is to be done by the joint venturers. We are mixing the expertise of a private operator in with the whole system. The honourable member is entitled to his opinion and the Government is entitled to its opinion. We have looked at other systems and we have gained experience from what has happened in other places.

Mr I. F. Taylor: We agree to disagree. There will be a change in 1983.

Mr RUSHTON: Surely we cannot discount the advice of Westrail.

Mr I. F. Taylor: You have discounted the advice of the co-directors of the SWATS report.

Mr RUSHTON: In what we are doing, we are using the material contained in the

recommendation of SWATS. We have utilised it already in the first two years of preparation for introduction of this system. All the advisers agree that we should do it in this way.

Mr I. F. Taylor: The co-directors recommended you establish Westfreight.

Mr RUSHTON: The member for Kalgoorlie said that the joint venture was not contributing any risk capital. Of course, it is putting \$2.5 million into the system.

Mr I. F. Taylor: You will have to explain that in reference to clause 2.

Mr RUSHTON: The Leader of the Opposition mentioned road costs, and these are considered not to be of great moment relating to the Boyup Brook-Katanning service.

Mr Evans: The loss of nine jobs in that town means something.

Mr RUSHTON: Members must remember that other jobs will be generated. What about the freights that will be beneficial to that town?

Mr Evans: The next thing will be the closure of the line between Donnybrook and Boyup Brook.

Mr RUSHTON: Opposition members go about creating doubts in this way. I suppose that is their entitlement.

The member for Avon raised the area of improved productivity at Kewdale. The answer is that productivity has improved, but much of this improvement is attributable to increased container and interstate business. It does not relate just to smalls traffic.

I took the opportunity to present those figures so that members may understand the situation. I have referred already to the case of apples mentioned by the member for Warren. That illustrates the opportunities that will be available to modify the present system. Bulk apples from Manjimup to Perth cost 60c a case and the railways transport them at \$2 a case. The member indicated that the cost by road will be about \$22 a case. Obviously there are great opportunities for change, and that is what the new policy is all about.

This business will represent about two per cent of Westrail's total freight. The joint venture will do all it can to attract the maximum freight possible to road transport, and certainly I believe it will be successful in regional centres.

Mr Davies: What opportunity will the Parliament have to look at or agree with the agreement before it comes into law?

Mr RUSHTON: The actual agreement will be determined by Cabinet, and it is responsible to the people of Western Australia at this time.

Mr Davies: Parliament will have no part in it?

Mr RUSHTON: Members have referred to leasing and lease rentals. By using this method we will have some value in the assets. That is another good reason for the joint venture proposal. As I said, we would lose the value of assets if we did it in another way. There will be an opportunity to discuss other items during the Committee stage.

The ACTING SPEAKER (Mr Watt): Order! The member's time has expired.

Mr Bryce: You did a good job, Cyril; don't worry about it!

Mr Tonkin: You have the numbers.

Question put and a division taken with the following result—

#### Ayes 23

Mr Blaikie	Mr Old
Mr Court	Mr Rushton
Mr Cowan	Mr Shalders
Mrs Craig	Mr Sibson
Mr Grayden	Mr Spriggs
Mr Grewar	Mr Stephens
Mr Hassell	Mr Trethowan
Mr Herzfeld	Mr Tubby
Mr Laurance	Mr Watt
Mr McPharlin	Mr Williams
Mr Mensaros	Mr Nanovich
Mr O'Connor	

(Teller)

#### Noes 15

Mr Bertram	Mr Jamieson
Mr Bridge	Mr T. H. Jones
Mr Bryce	Mr Parker
Mr Carr	Mr Pearce
Mr Davies	Mr I. F. Taylor
Mr Evans	Mr Tonkin
Mr Grill	Mr Bateman
Mr Harman	

(Teller)

#### Pairs

Ayes	Noes
Mr MacKinnon	Mr A. D. Taylor
Mr P. V. Jones	Mr McIver
Mr Clarko	Mr Barnett
Dr Dadour	Mr Wilson
Mr Young	Mr Terry Burke
Mr Crane	Mr Brian Burke
Mr Coyne	Mr Hodge
Mr Sodeman	Mr Gordon Hill

Question thus passed.

Bill read a second time.

#### In Committee

The Chairman of Committees (Mr Blaikie) in the Chair; Mr Rushton (Minister for Transport), in charge of the Bill.

Clause 1: Short title and citation—

#### Progress

Progress reported and leave given to sit again, on motion by Mr Nanovich.

House adjourned at 9.51 p.m.

## QUESTIONS ON NOTICE

### SOIL CONSERVATION ACT

#### *Amendments*

621. Mr COWAN, to the Minister for Agriculture:

- (1) How many persons, associations, or bodies, were advised of the content of the Government amendments to the Soil Conservation Act?
- (2) When were they advised?
- (3) Have any persons, associations, or bodies been given a draft copy of the amendments proposed by the Government?
- (4) Who are they and when did they receive a copy?
- (5) Have members of the soil conservation advisory committee collectively or individually been provided with information about the Government proposals to amend the Act under which the committee was established?
- (6) Has the soil conservation advisory committee been invited to make some contribution or express its views on proposals to amend the Act?
- (7) If so, when?

Mr OLD replied:

- (1) and (2) During the review and drafting of the current Soil Conservation Act the general intent of the amendments was discussed with many individuals and representatives of organisations.
- (3) and (4) The executives of the Primary Industry Association, the Pastoralists and Graziers Association and the Country Shire Councils Association were advised in detail of proposed amendments in mid March.
- (5) to (7) The intent of the Government proposals was discussed at the meeting of the soil conservation advisory committee in August 1981.

### HEALTH: RADIATION

#### *Laporte Titanium Plant: Leschenault Estuary*

639. Mr BARNETT, to the Minister for Health:

- (1) Is he aware that the Australian radiation laboratories have found significant levels of radium 228 in the

waters and mud of the Leschenault Estuary adjacent to the Laporte titanium plant?

- (2) Can he explain the origin of the raised levels?
- (3) Who is responsible for the safe disposal of waste from the Laporte titanium plant?
- (4) What action does the Government propose to take to reduce these levels and prevent further deterioration of the environment of the Bunbury area?

Mr YOUNG replied:

- (1) It is not believed that the Australian Radiation Laboratory has measured radioactivity in water or mud in the Leschenault Inlet adjacent to the Laporte titanium plant. Measurements of radioactive substances in samples taken from other parts of the inlet show the presence of Radium 228 in low concentration and within the normal range of environmental samples.
- (2) It is not agreed that the levels are raised. The levels present no health hazard and are consistent with the radioactivity being due to radioactive substances naturally present in the water and sediment.
- (3) The company and the Public Works Department.
- (4) The levels present no health hazard, are not contributing to any deterioration of the environment of the Bunbury area and no specific action is considered necessary.

### FUEL AND ENERGY: PETROL

#### *Price: Wholesale and Retail*

646. Mr McPHARLIN, to the Honorary Minister Assisting the Minister for Consumer Affairs:

- (1) Is it fact that motorists in Western Australia are paying between 0.8c and 1.1 cents per litre more for super grade petrol, and 1.1c to 1.5c more per litre for standard grade petrol than motorists in Adelaide?
- (2) Are the maximum allowable wholesale prices for both super grade and standard grade in Melbourne higher than in Perth?

- (3) How does the retail price compare between Melbourne and Perth for both grades?
- (4) How do retail prices compare for both grades of petrol between Sydney, Brisbane, and Perth?

Mr SHALDERS replied:

- (1) Petrol prices in all capital cities fluctuate from week to week, thus making it impossible to state the difference on more than a weekly basis.

The latest figures available to the Bureau are for the week ending April 16, and are as follows—

Super	Sydney	Melbourne	Brisbane	Adelaide	Perth
Selfserve sites	33.9	33.9	31.9	37.25	38.5
Attended sites	38.6	33.9	31.9	(Average)	38.5

The figures are for the most common pump prices except for Adelaide where an equal number of varying common prices is shown as an average. (It is interesting to note that the two cities showing the lowest prices have no State price legislation). Survey figures are not available for standard grade petrol.

- (2) The maximum justified wholesale price set by the Petroleum Products Pricing Authority is the same for all States.

South Australia and New South Wales have enacted and proclaimed legislation which reduces this price by 3c and 2c per litre respectively.

- (3) Answered by (1).
- (4) Answered by (1).

## DEPARTMENT OF MARINE AND HARBOURS

### *Pilot Boat*

648. Mr BRIAN BURKE, to the Minister for Works:

- (1) Did the water police negotiate with Precision Marine to assist the water police in writing specifications for the supply of a new police patrol vessel?
- (2) Did the tender subsequently specify that the vessel be a *Randell 42*?
- (3) Will he table the tender?
- (4) Were Precision Marine the sole manufacturers of the *Randell 42* craft?
- (5) Were there complaints received by the Tender Board that a brand name had been specified in the tender?

- (6) Were other prospective tenderers informed that they could purchase bare components from the manufacturers of the *Randell 42* as a basis and for utilisation in their tender?

- (7) If "Yes", to (6), by whom and when?

- (8) Is he aware that the manufacturers referred to in (6), which were Precision Marine, refused to supply materials and did not respond to requests from other tenderers in terms of components?

- (9) Was there a subsequent conflict involving this tender?

- (10) Were any of the other prospective tenderers—who had complained about the use of a brand name and suggested that other craft might be suitable—informed that the Government was only interested in tried and proven commercial craft and that their objections would be fruitless?

- (11) Whose tender was accepted?

- (12) Which companies tendered and what were their quotes?

- (13) Has there been any increase in prices since Precision Marine were originally requested for a price?

- (14) If "Yes", to (13), will he advise the original and latest price?

- (15) Is the boat being built based on a tried and proven commercial product or is it a new design developed by Len Randell?

- (16) When was the tender originally called?

- (17) Is the product now being supplied the same as the original specification?

- (18) If "No" to (17), what changes have been made?

Mr MENSAROS replied:

As the question appears to be based on obvious misunderstanding I preface my reply to the specific questions by saying that, although the hull was specified for this vessel, all boat builders were capable of tendering with equal chances.

The particular hull specified, the *Randell 42* was the hull used in the construction of the vessel *Beagle*, the hydrographic survey vessel used by the Public Works Department which was designed by a Western Australian Naval architect to accommodate bulky and weighty equipment with strict draft and speed requirements, and is proving to be particularly popular with hulls being ordered for a number of boats for Eastern States bodies. Advice in August



1981 indicated that eight such hulls had been ordered.

The *Beagle* is moored at Barrack Street and was observed by Police Department officers who considered that this possessed the characteristics required for patrol work and it was for this reason that the *Randell 42* hull was specified for the patrol boat.

This hull, which is manufactured by Precision Mouldings Pty Ltd, under copyright, was available to other tendering boat builders, and I have been advised that it is unlikely that this would represent more than twenty per cent of the total cost of the patrol vessel. It also had the advantage that progress payments could be processed before sea trials were carried out to prove the hull.

The *Randell 42* hull was specified when tenders were called for the construction of the *Beagle* and three tenders were received. It was anticipated that at least three or more tenders would have been received for the police vessel.

There were of course no difficulties for any tenderer to purchase the hull. This procedure is not strange in the construction or building industry generally. It is called "nominated sub-contract" or "nominated supply". Building permits may, for example, specify for a block of State Housing Commission flats that all baths should be "Metters series XYZ", which are exclusively manufactured by Metters.

The answer to the question is as follows—

- (1) I have no knowledge of this. The specification was written by the Public Works Department who did not negotiate with anyone.
- (2) Yes. The tender specified the *Randell 42* hull as nominated supply.
- (3) Yes. The tender document/specification is tabled herewith.
- (4) Precision Mouldings are the sole manufacturers of the *Randell 42* hull under copyright from the designer.
- (5) Such a complaint was received in the Premier's department.

(6) I am not aware of any approaches by prospective tenderers seeking information as to the manufacturer of the *Randell 42* hull. This is well known to be available to boat builders throughout Australia.

(7) Not applicable.

(8) No.

(9) No. Other than the complaint referred to in question (5).

(10) I am not aware of more than one complaint.

(11) Precision Marine.

(12) Precision Marine was the only tenderer.

(13) Yes.

(14) \$217 000 and \$217 625.

(15) The boat being built is based upon a tried and proven commercial product.

(16) Tenders closed on 30 April, 1981.

(17) Yes. Subject to very minor modification.

(18) Not applicable.

*The paper was tabled (see paper No. 173).*

## SUPERANNUATION

### *Collection of Information*

669. Mr I. F. TAYLOR, to the Treasurer:

With reference to question 629 of 1982, as it would appear that there is no available public information on the operations of the superannuation funds in question, could he explain the so-called normal accountability that these funds are subject to?

Mr O'CONNOR replied:

The organisations investing public funds in endowment insurance schemes or schemes managed by insurance companies on behalf of employees are accountable to Parliament. The organisations are established under Acts passed by Parliament and are responsible to a Minister of the Crown. The accounts of the organisations are subject to audit generally by the Auditor General.

As I have said in response to the member's previous question on this subject, I do not consider that a collection from the organisations seeking the percentage of funds invested in particular securities by the insurance

companies on behalf of the beneficiaries is warranted.

# EDUCATION: HIGH SCHOOL

## *Free Bus Travel*

670. Mr BERTRAM, to the Honorary Minister Assisting the Minister for Education:

Is it not a fact that his predecessor and/or departmental officers undertook that "free" bus travel to other senior high schools would be provided for all Tuart Hill Senior High School students displaced by his Government's policy of establishing a senior college by liquidating Tuart Hill Senior High School?

Mr CLARKO replied:

An undertaking was made to provide free bus travel for 1982 and 1983 for students displaced by the phasing in of Tuart Hill Senior College. This free travel would be provided for students travelling to schools designated for their region. Students electing to attend a school other than that designated for the area in which they live would not be provided with free travel.

# LOCAL GOVERNMENT: MOSMAN PARK TOWN COUNCIL

## *Greenplace*

671. Mr JAMIESON, to the Minister for Urban Development and Town Planning:

- (1) In view of her answer to question 623 of 1982, am I to understand that despite the fact that Greenplace was sold at auction for \$5 500 000 the unimproved value "at the date of approval by the Board" was only \$1 000 000?
- (2) How is such low valuation justified in view of the fact that a 800 sq. metre block in Wellington Street adjacent to Greenplace had been sold for \$850 000 about a month before the Greenplace sale?
- (3) Is she also aware that a 700 sq metre vacant block adjoining Greenplace is currently on offer at \$700 000 having been unsold at auction?
- (4) In view of the above information, is it not now a fact that the Mosman Park Town Council appears to have been sold short on the Greenplace deal?

Mrs CRAIG replied:

- (1) I am informed that the unimproved value of the Greenplace land in force under the Valuation of Land Act 1978, as at the date of approval by the Town Planning Board of the plan of subdivision of that land was \$500 000. Under the Act, this value relates to the last valuation for the Municipality of Mosman Park which was undertaken in 1979-80. In addition to the \$50 000 cash in lieu of land sum, I understand that the subdivider also made an *ex gratia* payment of \$50 000 to the Mosman Park Town Council.
- (2) It is not valid to compare recent sales with valuations arrived at on the basis of the method provided for in section 20(5) of the Town Planning and Development Act which depends, in turn, on the Valuation of Land Act 1978.
- (3) No.
- (4) No. The council has, in fact, received a payment in excess of that calculated in accordance with the Act. For the member's information, I am able to advise that the Government recognises that payments calculated under the existing legislation do not relate to current valuations and its intention is to introduce an appropriate amending Bill this year.

# MINISTER OF THE CROWN: MINISTER FOR COMMUNITY WELFARE

## *Royal Commissions and Committees of Inquiry*

672. Mr BRIAN BURKE, to the Honourary Minister Assisting the Minister for Community Welfare:

- (1) What is the number of committees of inquiry, Royal Commissions, and other forms of major public inquiry conducted into matters and affairs within the Minister's administrative responsibilities in each of the following years—
  - (a) 1974;
  - (b) 1975;
  - (c) 1976;
  - (d) 1977;
  - (e) 1978;
  - (f) 1979;
  - (g) 1980;
  - (h) 1981?

- (2) What is the subject and name of each inquiry identified in (a) to (h) above?
- (3) On what date was the report of each inquiry identified in (2) released to the public?
- (4) What are the names of the reports of the inquiries, if any, that the Minister or the Government has not released to the public?
- (5) Why has the Minister withheld each report, if any, identified in (4)?
- (6) When does the Minister expect that the reports identified in (4), if any, will be released to the public?

Mr SHALDERS replied:

- (1) to (6) Identical questions to this have been asked of a number of Ministers and the Premier will respond to the member in due course.

**MINISTER OF THE CROWN:  
MINISTER FOR FISHERIES AND  
WILDLIFE**

*Royal Commissions and Committees of Inquiry*

673. Mr BRIAN BURKE, to the Minister for Fisheries and Wildlife:

- (1) What is the number of committees of inquiry, Royal Commissions, and other forms of major public inquiry conducted into matters and affairs within the Minister's administrative responsibilities in each of the following years—
  - (a) 1974;
  - (b) 1975;
  - (c) 1976;
  - (d) 1977;
  - (e) 1978;
  - (f) 1979;
  - (g) 1980;
  - (h) 1981?
- (2) What is the subject and name of each inquiry identified in (a) to (h) above?
- (3) On what date was the report of each inquiry identified in (2) released to the public?
- (4) What are the names of the reports of the inquiries, if any, that the Minister or the Government has not released to the public?
- (5) Why has the Minister withheld each report, if any, identified in (4)?
- (6) When does the Minister expect that the reports identified in (4), if any, will be released to the public?

Mr OLD replied:

- (1) to (6) An identical question to this has been asked of a number of Ministers. The Premier will respond to the member in due course.

**MINISTER OF THE CROWN:  
MINISTER FOR AGRICULTURE**

*Royal Commissions and Committees of Inquiry*

674. Mr BRIAN BURKE, to the Minister for Agriculture:

- (1) What is the number of committees of inquiry, Royal Commissions, and other forms of major public inquiry conducted into matters and affairs within the Minister's administrative responsibilities in each of the following years—
  - (a) 1974;      (e) 1978;
  - (b) 1975;      (f) 1979;
  - (c) 1976;      (g) 1980;
  - (d) 1977;      (h) 1981?
- (2) What is the subject and name of each inquiry identified in (a) to (h) above?
- (3) On what date was the report of each inquiry identified in (2) released to the public?
- (4) What are the names of the reports of the inquiries, if any, that the Minister or the Government has not released to the public?
- (5) Why has the Minister withheld each report, if any, identified in (4)?
- (6) When does the Minister expect that the reports identified in (4), if any, will be released to the public?

Mr OLD replied:

- (1) to (6) An identical question to this has been asked of a number of Ministers. The Premier will respond to the member in due course.

**MINISTER OF THE CROWN:  
MINISTER FOR PRIMARY  
INDUSTRY**

*Royal Commissions and Committees of Inquiry*

675. Mr BRIAN BURKE, to the Minister for Primary Industry:

- (1) What is the number of committees of inquiry, Royal Commissions, and other forms of major public inquiry conducted

into matters and affairs within the Minister's administrative responsibilities in each of the following years—

- (a) 1974;
- (b) 1975;
- (c) 1976;
- (d) 1977;
- (e) 1978;
- (f) 1979;
- (g) 1980;
- (h) 1981?

- (2) What is the subject and name of each inquiry identified in (a) to (h) above?
- (3) On what date was the report of each inquiry identified in (2) released to the public?
- (4) What are the names of the reports of the inquiries, if any, that the Minister or the Government has not released to the public?
- (5) Why has the Minister withheld each report, if any, identified in (4)?
- (6) When does the Minister expect that the reports identified in (4), if any, will be released to the public?

Mr OLD replied:

- (1) to (6) An identical question to this has been asked of a number of Ministers. The Premier will respond to the member in due course.

#### MINISTER OF THE CROWN: ATTORNEY GENERAL

##### *Royal Commissions and Committees of Inquiry*

676. Mr BRIAN BURKE, to the Minister representing the Attorney General:

- (1) What is the number of committees of inquiry, Royal Commissions, and other forms of major public inquiry conducted into matters and affairs within the Minister's administrative responsibilities in each of the following years—
  - (a) 1974;
  - (b) 1975;
  - (c) 1976;
  - (d) 1977;
  - (e) 1978;
  - (f) 1979;
  - (g) 1980;
  - (h) 1981?
- (2) What is the subject and name of each inquiry identified in (a) to (h) above?

- (3) On what date was the report of each inquiry identified in (2) released to the public?
- (4) What are the names of the reports of the inquiries, if any, that the Minister or the Government has not released to the public?
- (5) Why has the Minister withheld each report, if any, identified in (4)?
- (6) When does the Minister expect that the reports identified in (4), if any, will be released to the public?

Mr RUSHTON replied:

- (1) to (6) Identical questions to this have been asked of a number of Ministers. The Premier will respond to the member in due course.

#### EDUCATION: TEACHERS

##### *Yilgarn*

677. Mr BATEMAN, to the Honorary Minister Assisting the Minister for Education:

What are the names and the schools to which new primary and secondary teacher graduates have been appointed to in the Education Department's Yilgarn region since 1 January 1982?

Mr CLARKO replied:

To avoid them being identified and subjected to sales pressures, or other exploitation, the Education Department is reluctant to supply to any parties the sort of information requested by the member for Canning.

The publication in *Hansard* of the information requested will immediately provide persons or organisations with the names of beginning teachers and make it impossible for the department to protect their privacy.

#### NATURAL DISASTER: DROUGHT

##### *Shire Councils Declared*

678. Mr EVANS, to the Minister for Agriculture:

How many shire councils were declared drought areas, in whole or in part, in the 1981-82 summer period, and which shires were they?

Mr OLD replied:

The whole of the agricultural areas of the Dundas Shire and parts of the Shires of Esperance, Ravensthorpe,

Gnowangerup, and Lake Grace have been declared drought affected in 1981-82.

## SOIL CONSERVATION ACT

### *Orders and Convictions*

679. Mr EVANS, to the Minister for Agriculture:

- (1) How many orders have been made against landholders by the Commissioner of Soil Conservation under part V of the Soil Conservation Act in each of the past five years?
- (2) How many landholders have been convicted of an offence under the Soil Conservation Act in each of the past five years?

Mr OLD replied:

- (1) None.
- (2) None.

## LIQUOR: ALCOHOL

### *Strength*

680. Mr DAVIES, to the Minister for Health:

- (1) Have there been discussions with the National Health and Medical Research Council and the States regarding the showing of alcohol strength on all liquor labels?
- (2) Has a decision been taken to adopt such practice by the States?
- (3) If so, when is it expected this procedure will take place in Western Australia?
- (4) If not, what objection exists to the procedure?

Mr YOUNG replied:

- (1) Yes.
- (2) Queensland, New South Wales, South Australia, Tasmania, all have agreed to the statement of alcohol strength on labels. Victoria is yet to decide.
- (3) Presently, the necessary amendment papers are being prepared by the Crown Law Department for beer, wines, cider, and perry for submission to Executive Council. Action has been deferred on spirits and liqueurs pending the final recommendations from the National Health and Medical Research Council arising out of the deliberations of their working party.

After gazettal, a period of six months will be stipulated before actual enforcement is enacted to allow the liquor industry to prepare for the change in the labelling of alcoholic beverages.

(4) See (3).

## WATER RESOURCES

### *Harvey and Manjimup*

681. Mr EVANS, to the Minister for Works:

- (1) What is the current cost of water for irrigation purposes being charged farmers in the Harvey irrigation area?
- (2) What is the current cost of water used for—

- (a) Domestic;
- (b) irrigation purposes;

in the Manjimup area?

Mr MENSAROS replied:

- (1) Rates: \$64.05 per hectare—subject to minimum charge of \$64.05 per separately assessed holding.

Water Allowance in Return for Rate: 6 100 m<sup>3</sup> per rated hectare.

Charge for Water Usage in Excess of 6 100 m<sup>3</sup> per hectare:

1. Up to 9 200 m<sup>3</sup> per hectare \$10.50 per 1 000 m<sup>3</sup>.
2. Between 9 201 m<sup>3</sup> per hectare and district allocation \$13.50 per 1 000 m<sup>3</sup>.
3. Usage over district allocation \$20 per 1 000 m<sup>3</sup>.

*Note:*—Item 3 has been suspended for the 1981-82 year owing to the very satisfactory storage position.

- (2) (a) Domestic water charges for consumers connected to the Country Town Water Scheme in a consumption period are—

Rates: Maximum domestic rate \$60.

Water Charges:

First 400 kl @ 18c per kilolitre

Next 400 kl @ 30c per kilolitre

Next 400 kl @ 54c per kilolitre

Next 800 kl @ 78c per kilolitre

Over 2 000 kl @ 102c per kilolitre

- (b) There are no irrigation schemes in the Manjimup area under the Rights in Water and Irrigation Act. However, consumers under the Country Areas Water Supply Act using irrigation water for vegetable and fruit growing for market are charged according to the following scale—

Up to quota 18c per kilolitre  
Over quota 54c per kilolitre.

The annual quota is generally 1 000 kilolitres, unless a higher quota has been granted in previous years.

### CONSUMER AFFAIRS

#### *Bridgewater Importers*

682. Mr TONKIN, to the Honorary Minister Assisting the Minister for Consumer Affairs:

- (1) Is he aware of the activities of Bridgewater Importers who advertise in newspapers and who thereby attract young girls into employment with them, a condition of which is to accept parcels of linen?
- (2) Is his department concerned that such activities may contravene the Door to Door Sales Act?
- (3) Is his department concerned at the possible "brainwashing" of young people being indulged in by this firm?
- (4) What is the Government doing to stamp out the practice?

Mr SHALDERS replied:

- (1) to (4) Employment is not a matter covered by any form of consumer legislation.

683. *This question was postponed.*

### EDUCATION: PRIMARY SCHOOL

#### *Morley: "Bike Ed Kit"*

684. Mr TONKIN, to the Honorary Minister Assisting the Minister for Education:

- (1) Is it a fact that a "Bike Ed Kit" is being tried out in primary schools in this State?
- (2) If so, what are the details?
- (3) Have the trials indicated that the kit is a worthwhile education tool?
- (4) Which schools in the Morley electorate—
  - (a) in 1981;
  - (b) at present;
 have used/are using the kit?

Mr CLARKO replied:

- (1) Yes.
- (2) Offered to all metropolitan primary schools. Teachers from West Greenwood, Gosnells Primary, and Attadale Primary Schools volunteered for a two-day in-service course at National Safety Council during August vacation. Subsequently, Bike Ed Kit was trialled successfully at Gosnells and West Greenwood Primary Schools.
- (3) Yes.
- (4) (a) and (b) No schools in the Morley electorate have so far nominated a teacher for the May vacation courses being conducted by the NSC. Ten teachers from seven metropolitan primary schools have nominated to date.

### INDUSTRIAL DEVELOPMENT

#### *"Enterprise" Articles*

685. Mr I. F. TAYLOR, to the Minister for Industrial Development and Commerce:

- (1) Further to his answer to question 638 of 1982 relating to *Daily News* articles issuing from his department, how many business enterprises in total have been the subject of articles in *Enterprise* over the past two years?
- (2) What is the geographical location of each of the 15 country business enterprises?

Mr RUSHTON replied:

- (1) 115.
- (2) Albany  
Bunbury  
Busselton (2)  
Cuballing  
Geraldton (2)  
Gingin  
Franklin River  
Mandurah  
Margaret River  
Merredin  
Narrogin  
Quairading  
Yericoon.

### CONSUMER AFFAIRS

#### *Small Claims Tribunal*

686. Mr TONKIN, to the Honorary Minister Assisting the Minister for Consumer Affairs:

- (1) Is the policy of the Bureau of Consumer Affairs to refer all matters to the Small Claims Tribunal?

- (2) What are the criteria by which such references are made?
- (3) Is he aware of the article on page 40 of the *Daily News* of 22 April which refers to such a reference?
- (4) Why was such a reference made in that particular case?

Mr SHALDERS replied:

- (1) No.
- (2) Only in cases where bureau attempts to resolve a complaint have resulted in an impasse or where a complete conflict of evidence arises.
- (3) Yes.
- (4) Answered by (2).

## MINING: URANIUM

### Enrichment Plant

687. Mr GORDON HILL, to the Premier:

- (1) Is he aware of a report in *The West Australian* of 15 April 1982, when the Premier of South Australia said, *inter alia*, that a decision on a uranium enrichment plant in Australia would probably be made by the middle of this year?
- (2) Has the Western Australian Government conducted any negotiations for the possible establishment of such a plant in this State?

Mr O'CONNOR replied:

- (1) The report has been brought to my attention. It is a continuation of the South Australian Government's public policy on uranium enrichment.
- (2) The State Government has had continuing discussions with the holders of the various technologies, and more specifically we have submitted reports to and had discussions with the uranium enrichment group of Australia, the group of companies which has been authorised to investigate the feasibility of establishing an enrichment plant in Australia.

## QUESTIONS WITHOUT NOTICE

### SEWERAGE

#### Redeveloping Land

178. Mr NANOVICH, to the Minister for Water Resources:

In view of some complaints about sewerage requirements in relation to

redeveloping land, would the Minister please acquaint the House with the Government's policy in this regard?

Mr MENSAROS replied:

I thank the member for some short notice of the question, the answer to which is as follows—

The Perth metropolitan area has proportionately the largest unsewered residential parts of all the capital cities in Australia. The magnitude of the backlog sewerage problem cannot be ignored. In today's money, it would cost over \$800 million to eliminate this problem. This compares with a maximum of about \$8 million a year which the Metropolitan Water Board can spend for backlog or infill sewerage.

For these reasons, every possible action ought to be taken to prevent further growth of this problem. Consequently some time ago the Government announced its policy to the effect that all future subdivisions and redevelopments of single residential blocks for multiple residences must have sewerage connections, save in quite exceptional circumstances. The exception would be allowed only when the size of the block of land in question, its subsoil absorption, and other circumstances would allow for septic tank systems to provide a satisfactory long-term solution. In many cases the unbuilt area of the block is too small to accommodate the required septic tanks or soak wells even if soil conditions are right and there is no danger of groundwater pollution.

However, this policy does not mean, as has been wrongly mooted, that no duplex houses at all would be allowed to be built on existing unsewered and suitably zoned land. Each application will be examined individually. However, there is no doubt that blocks exist where redevelopment from single residential to high density dwellings would cause serious problems unless

a deep sewerage system were installed. The problems would be felt most severely by the purchasers of the so created home units.

Details of the Government's policy are described in an explanatory document which will be distributed and may be obtained through the Minister for Urban Development and Town Planning. A brief description of the policy was contained in that Minister's Press release of 6 April 1982 which, unfortunately, was ignored by the media.

## MEMBERS OF PARLIAMENT

### *Staff Members: Employment Conditions*

179. Mr BRYCE, to the Premier:

In view of the media speculation about the intention of the Government to prohibit staff members employed by members of Parliament from continuing in their employment if they are endorsed for public office, I ask—

- (a) is the Government considering changing the employment conditions of staff, because of mounting concern within the Liberal Party;
- (b) has any final complaint been lodged with the Government and, if so, will the Premier provide details; and
- (c) is he aware that Liberal and Labor Party members of Parliament throughout Australia, at both State and national levels, have employed people who have subsequently been endorsed for public office?

Mr O'CONNOR replied:

- (a) to (c) The Government is concerned at the total abuse of the system by certain members at various times. Electorate offices were provided to give members the opportunity to make proper contact with their electors, not so that the positions offered may be used as stamping grounds for future members of Parliament who frequently represent the member for whom they work at various functions where they behave as members of Parliament.

Mr Carr: Who has abused this?

Mr O'CONNOR: We are talking about this on a State and Federal basis and, as

members well know, the positions are being used in that way.

Mr Davies: Be a big boy now!

Mr O'CONNOR: In my opinion, in many cases, electorate offices are not being used properly. The Government is concerned about this on both a State and Federal basis and I have written to the Prime Minister in regard to a particular incident—

Mr Parker: What particular incident?

Mr O'CONNOR: Several particular incidents—

Mr Carr: Be specific.

Mr O'CONNOR: If members will be quiet for a moment, I shall tell them about an incident which relates to the abuse of the electorate office at Kalgoorlie where the member is using his staff—

Mr I. F. Taylor: Are you referring to the State member for Kalgoorlie?

Mr O'CONNOR: I refer to the Federal member.

Mr I. F. Taylor: The Federal member for Kalgoorlie employs a social worker. Be specific!

Mr O'CONNOR: A number of Labor Party people who have been or are to be endorsed—

Mr Carr: Are to be endorsed.

Mr O'CONNOR: —are employed in electorate offices and, in my opinion, they have abused their privileges at this stage.

## MEMBERS OF PARLIAMENT

### *Staff Members: Employment Conditions*

180. Mr PEARCE, to the Premier:

As the Premier seems to be concerned about the misuse of Government funds to support people who may be candidates for office, I ask—

- (1) Will he give the House and people of this State an unequivocal guarantee that should W. W. Mitchell be successful in obtaining the pre-selection for Gosnells—

The SPEAKER: Order! That question is out of order.



*Point of Order*

Mr PEARCE: Would you, Sir, care to indicate the ground on which you make that ruling?

The SPEAKER: The question is of a hypothetical nature and, therefore, it is out of order.

*Questions (without notice) Resumed*

Mr PEARCE: My question is in two parts. I suppose I could move to dissent from your ruling, Sir, because the question relates to Government funding of particular individuals. To continue—

- (2) Could the Premier explain why he left Phillip Pandal on his personal ministerial staff as Press Secretary for such a long time when he was the endorsed candidate for South-East Metropolitan Province?

Mr O'CONNOR replied:

- (1) and (2) Mr Pandal did not stay on my staff all the time. He was taken away and employed elsewhere.

Mr Bryce: He was on your ministerial staff.

Mr O'CONNOR: Yes, he was, but he was not left on my staff; he was taken away.

Mr Carr: He was on the Government's payroll.

Mr O'CONNOR: Members of the Police Force or other Government departments are left in the service until such time as the writs are issued; but, in the case of electorate offices, it is a different situation and they are being used and abused to a great degree.

Mr Carr: How inconsistent can you be!

Mr Davies: That is arrant nonsense!

**INTEREST RATES***Australian Savings Bonds: Increase*

181. Mr HERZFELD, to the Premier:

- (1) Has he seen the report in this morning's paper headed, "Funds flow out of ASBs"?
- (2) Is this the reason he agreed to the increase in rates of 1 per cent?

Mr O'CONNOR replied:

- (1) Yes.
- (2) Yes. The record outflow of funds from Australian savings bonds in March, which totalled \$89 million, vindicates my judgement in agreeing to the 1 per cent interest rate increase in these securities. Although the new interest rate did not have time to influence the position during the month of March, it may help stem the tide in later months.

My concern about the trend in ASBs is that it results in the State having to pay more for the funds it has in its general capital works programme. This comes about in two ways: Firstly, the redemptions of ASBs means that funds allocated to the State from this source must be replaced from proceeds of higher interest-bearing Commonwealth bonds. Secondly, as funds from the cheaper ASBs are not available, the State is allocated funds from the dearer Commonwealth bonds.

**INDUSTRIAL RELATIONS: LEGISLATION***Employee Organisations*

182. Mr BRYCE, to the Premier:

- (1) Is it Government policy to introduce major changes to industrial relations legislation without consulting employee organisations affected?
- (2) If so, how can such a policy help to improve industrial relations?
- (3) If not, why was the Civil Service Association not consulted before the introduction of the Public Service Amendment Bill?

Mr O'CONNOR replied:

- (1) It depends on the circumstances involved and the nature of the amendments needed.
- (2) and (3) Answered by (1).

**PUBLIC SERVICE ARBITRATION  
AMENDMENT BILL***Consultation*

183. Mr PARKER, to the Premier:

- (1) Does the Government consider that co-operation, consultation, and consensus are fundamental to stable, productive, and harmonious industrial relations?

- (2) If the Government does consider these are important factors in good industrial relations, will he delay parliamentary debate on the Public Service Amendment Bill until the Government and the Civil Service Association have conferred on the legislation?

Mr O'CONNOR replied:

- (1) Generally, yes.
- (2) I did receive a telephone call today from the CSA and I will be contacting the association in the morning to make arrangements to see its members. I will consider what we will do after those discussions.

## EXPORTS

### *Sheep*

184. Mr BLAIKIE, to the Minister for Agriculture:

- (1) Has he seen newspaper reports about comments attributed to the Kuwait Minister for Agriculture indicating that Middle East consumers prefer fresh rather than chilled or frozen mutton?
- (2) Is he aware that the Minister in that same report indicated that if Australia either could not or would not supply live sheep, Middle East buyers had the money and were prepared to buy supplies of live sheep elsewhere?
- (3) Because of the vital importance of the live sheep export trade to Western Australia, what is the Government's policy in this matter?

Mr OLD replied:

- (1) Yes. As a matter of fact I had been informed that the Minister was coming to Western Australia, but unfortunately he had to return to Kuwait in the weekend.

- (2) There is no doubt that there are plenty of other sources that could supply live sheep and I am sure this will be borne out when we receive the report by the recent mission that went to the Middle East, comprising members of producer bodies, members of the Australian Meat Industry Employees' Union, and members of the ACTU. I do not know what the final recommendation of that group will be, but it is certainly a very serious thing, because if we do lose the market for live sheep exports—bearing in mind that in the last calendar year we exported in the order of three million live sheep—we will lose the effective underpinning of the market. The live sheep exports have been instrumental in keeping the price of sheep at a reasonable level. Without this market we would find a big slump experienced by people in the trade.
- (3) The Government's policy is very clear. At all times it has indicated that farmers should be allowed to market their produce to their best advantage. This continues to be our policy.

## PUBLIC SERVICE ARBITRATION AMENDMENT BILL

### *Consultation*

185. Mr DAVIES, to the Premier:

I refer to his rejection of criticism by the Civil Service Association that it was not consulted about amendments to the Public Service Amendment Bill.

- (1) Is he correctly reported as saying he never refused to meet the CSA representatives and that he could be reached with a 10c phone call? I should indicate that phone calls are now 12c.

A Government member: It costs 10c in a box.

Mr DAVIES: The CSA has its own phone now. Its journal has its number listed, but we will not worry any further about the effect of Government policy on phone calls.

- (2) Has he located the letter which the CSA claims was sent to him about 10 days ago?
- (3) Does it deal with the specific amendment to the Act in the form of the Bill before the House?

- (4) If not, how could the CSA be expected to contact him for a meeting on the subject when the first it learnt of the legislation was when it was introduced in the House?
- (5) Is it his attitude that all consultation and contact on legislative matters must be initiated by those wishing to comment rather than by the Government keeping in touch with interested parties?

Mr O'CONNOR replied:

- (1) to (5) I did make a comment that the CSA could have contacted me with a 10c phone call rather than wasting \$4 000 or \$5 000 on political advertisements in the Press with money subscribed by its members. It was a tremendous waste of money which could have been used in a better way. Had it asked me to meet with its members, I would have done so, as previously agreed about a month earlier. I received yesterday the letter the member says was sent to me 10 days ago, and which was dated 21 April.

## INTEREST RATES

### *Government Borrowing*

186. Mr WATT, to the Premier:

I have given some notice of this question, which is as follows—

Is it true, as has been suggested by the Leader of the Opposition in this House, that the Premier had made no public reference to his view that serious consideration should be given to reducing Government borrowing in order to decrease the pressure for interest rate increases?

Mr O'CONNOR replied:

No. I have expressed the view publicly a number of times since becoming Premier. It is possible in fact that almost every housewife in Australia knew my opinion on the subject a fortnight before the Leader of the Opposition tried to pretend in this House on 7 April that he was revealing a secret about it. During a nationwide live telecast on the "Mike Walsh Show" on 23 March I had quite a bit to say about interest rates. Included in those comments were these words—

I believe it is important for Governments throughout Australia to look at reducing their borrowings so that we can get the interest rates down. The large amount of Government borrowings is one of the problems affecting interest rates at this stage. In non-essentials, we should look at reducing.

That is a clear and very public statement of a view which is not revolutionary, but which few political leaders seem to have been prepared to admit in public. I can assure the member and the House that I have no intention of proposing or accepting any unilateral cut in Western Australia's loan funds for capital works.

The biggest Government influence creating pressure on interest rates comes from the Commonwealth and, indeed, the main reason for the Commonwealth's determined efforts to reduce its deficit is to reduce its borrowing to fund that deficit, and therefore to reduce competition in the money market. If it is necessary for the States to look at their position in order to help achieve a reduction in interest rates, I am prepared to do so. However, I emphasise that it must be a properly considered programme with an achievable objective. It will not be done at the expense of essential public services. However, I would point out that if we can get interest rates down, we will be able to do more with our money because we will spend less of it on interest payments. I might add that overseas countries and economists themselves are concerned about large Government borrowings. They claim that these must be reduced if interest rates are to be lowered.

## TRANSPORT

### *Farm Produce: Deregulation*

187. Mr COWAN, to the Minister for Transport:

- (1) Will the deregulation of the transport of farm produce take effect from 1 July?
- (2) Will the deregulation allow—
  - (a) farmers to transport all farm produce including wool, mohair, and chaff to Perth or regional centres;

- (b) contract carriers to transport grain, wool, mohair, and chaff to Perth or regional centres on a farmer's behalf?

Mr RUSHTON replied:

- (1) and (2) The existing farmers' exemption from licensing under the Transport Act for the carriage by farmers of certain nominated produce in their own vehicles will be amended to include wool, mohair, and chaff on or about 1 July 1982. This of course is subject to the Parliament passing the Government Railways Amendment Bill this session.

## MEMBERS OF PARLIAMENT

### *Staff Members: Employment Conditions*

188. Mr BRYCE, to the Premier:

Supplementary to the question concerning the matter of staff employment by members of Parliament referred to at the outset of question time, and notwithstanding his letter to the Prime Minister concerning this matter, is the State Government considering changing the conditions of staff employment contracts because of mounting concern within the Liberal Party?

Mr O'CONNOR replied:

As a result of mounting concern within the Liberal Party, no; but to make sure the staff comply with the conditions for staff officers—the conditions set down originally—yes.

## MINING: IRON ORE

### *Pricing*

189. Mr GRILL, to the Premier:

Is it correct that the Government is planning direct intervention in future negotiations on iron ore pricing? If so, what factors have prompted this about-face on its long held policy on the pricing of iron ore as espoused by Sir Charles Court when he said in criticism of the Federal Government, "We never get involved in matters of price."

Mr O'CONNOR replied:

As I am not aware of whether the Minister for Mines has had discussions in this area, I suggest the member place the question on notice.

## MINING: ROYALTIES

### *Labor Party Policy*

190. Mr HERZFELD, to the Premier:

- (1) Is he aware of a recent report in which Mr Keating, the Federal Australian Labor Party spokesman on minerals and energy, committed his party to taking away State powers to collect royalties from mining?

Mr Bryce: In respect of coal.

Mr HERZFELD: To continue—

- (2) Is this policy the result of the extremely favourable agreement negotiated on behalf of the people of Western Australia by this Government with the Ashton Joint Venturers?
- (3) Does this Government support the ALP policy? If not, what action is proposed?

Mr O'CONNOR replied:

If the statement was in connection with coal, the step suggested would be only the first taken by the Labor Party if it became the Government. In answer to the question—

- (1) Yes.
- (2) I am unable to say.
- (3) The ALP policy in this regard is not supported by this Government. The policy is an indication that a Federal ALP Government would put its fingers into the pockets of Western Australian taxpayers and prise from them money to which they are entitled. The ALP statement appears to be one wanting total centralist financial control in Canberra, and one of dissatisfaction at, not getting more than \$4 out of every \$5 earned in this State.

## EDUCATION: SCHOOL BUS

### *Halls Creek Primary School*

191. Mr BRIDGE, to the Minister for Education:

Has he received a request from the Lundja community at Red Hill near Halls Creek—

The SPEAKER: Order!

Mr Pearce: He's here.

The SPEAKER: The Minister for Education is not here.

Mr Pearce: Yes he is, he's sitting on the front row, third from the end.

The SPEAKER: I wanted to ascertain whether there was someone in a position to answer the question. It appears that there is.

Mr BRIDGE: Has he received that request calling on the Education Department to provide a school bus for the conveyance of children to the Halls Creek Primary School? If so, can he indicate when the bus will be available for use as required by the community?

Mr MENSAROS replied:

An inquiry was received by telephone from the Lundja community on this matter. The departmental officer who handled the inquiry suggested that a written request should be submitted. On receipt of that request the possibility of a contract bus service could be examined.

#### MEMBERS OF PARLIAMENT: ELECTORATE OFFICES

##### *Private Business*

192. Mr PEARCE, to the Premier:

Again in reference to the misuse of electorate offices have the Government's concern and investigations extended to the operation by members of private business through their electorate offices?

Mr O'CONNOR replied:

If the member had listened he would know that I said I was concerned about the illegal or improper use of electorate offices, and obviously that would include, for instance, the member for Yilgarn-Dundas using his electorate office for private or business purposes, a use which I believe would be totally improper.

#### ELECTORAL: ELECTORATE OFFICES

##### *Pilbara*

193. Mr SODEMAN, to the Deputy Premier:

As the Minister responsible for assessing certain recommendations submitted by a Government committee regarding the use and function of electorate offices, will he advise—

- (1) How many electorate offices, State and Federal, currently are occupied by ALP endorsed candidates in the Pilbara?
- (2) When does he anticipate a decision to be forthcoming on the recommendation currently before him?

Mr RUSHTON replied:

- (1) I understand there are two.
- (2) It will be shortly.

#### MEMBERS OF PARLIAMENT

##### *Staff Members: Employment Conditions*

194. Mr DAVIES, to the Premier:

Is there to be discrimination in employment on the grounds of political bias?

Mr Bryce: Hear, hear! Aren't they running scared.

Mr O'CONNOR replied:

Not at all; it just indicates that we expect members of this House to act properly and decently in connection with their electorate offices.

Mr Tonkin: What about Phil Pandal?

The SPEAKER: Order!

Mr Pearce: What about W. W. Mitchell?

The SPEAKER: Order!