

# Legislative Council

Tuesday, 4 May 1982

The PRESIDENT (the Hon. Clive Griffiths) took the Chair at 4.30 p.m., and read prayers.

## QUESTIONS

Questions were taken at this stage.

## REAL ESTATE AND BUSINESS AGENTS AMENDMENT BILL

### *First Reading*

Bill read a first time, on motion by the Hon. R. G. Pike (Chief Secretary).

### *Second Reading*

**THE HON. R. G. PIKE** (North Metropolitan - Chief Secretary) [4.45 p.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to provide financial assistance to low-income first home buyers to help meet the costs associated with the purchase of a home, such as mortgage preparation, stamp duty, registration and bank or building society fees.

Funds for this purpose will be provided by further dividing the interest earned on deposit trust funds lodged by real estate agents with the Real Estate and Business Agents Supervisory Board. The Bill establishes a home buyers assistance fund for this purpose.

One of the fundamental principles in this Bill is that an applicant for financial assistance under the scheme must arrange the home purchase through the agency of a licensed real estate agent carrying on business in Western Australia. The proposal has the full support of the Real Estate Institute of Western Australia and the Real Estate and Business Agents Supervisory Board.

The Bill provides that the maximum grant under the proposed assistance scheme will be \$1 000. It is estimated that approximately 200 applicants could be assisted annually on the basis of an estimated allocation of \$200 000 from the interest earnings of the deposit trust fund for the year ending 30 June 1982.

As the Real Estate and Business Agents Act now stands, interest earned on investment of monies deposited with the board is paid to the credit of an account called the "Trust Interest Account". Section 130 of the Real Estate and Business Agents Act provides that money from the trust interest account shall be applied as follows

- (a) firstly in payment of the costs and expenses of administering the Trust, including the cost of every audit pursuant to section 131;
- (b) as to 50 per centum of the balance to the Fidelity Guarantee Fund; and
- (c) as to the other 50 per centum of the balance to the maintenance and establishment of such educational facilities relating to the functions and duties of persons under this Act as are prescribed.

As at 31 January 1982, the balance to the credit of the fidelity guarantee fund, established by section 107 of the Act, stood at \$1 264 150. No claims were made on the fund to 31 January 1982.

The Real Estate and Business Agents Supervisory Board considers that the fund is well balanced and, as an added precaution, has taken insurance cover of \$500 000 for claims or losses which in the aggregate exceed \$500 000.

The Bill amends section 130 of the Act so that in future money from the trust interest account will be dispersed after the payment of costs and expenses of administering the trust, as follows —

33-1/3 per cent to the fidelity guarantee fund;

33-1/3 per cent to the home buyers assistance fund; and

33-1/3 per cent to the establishment and maintenance of educational facilities.

The amount available as at 30 June 1981 for distribution for education purposes was \$186 687. A full allocation was made to three educational bodies that applied for grants.

The board estimates that approximately \$200 000, based on 33-1/3 per cent of the total disbursement from the trust interest account, will be available to the board at 30 June 1982 for distribution to educational facilities. This amount will be adequate to cover grants to warranted educational facilities.

The Bill amends section 115 of the Act to provide that the board, with the consent of the Minister, may increase the percentage of the trust interest account to be applied to the fidelity guarantee fund.

Any increase for the purposes of the fidelity guarantee fund is to be met by a corresponding decrease in the percentage available to the home buyers assistance fund. This amendment will ensure that, in the event of substantial claims on the fidelity guarantee fund, payments to that fund

will not suffer at the expense of payments to the home buyers assistance fund.

Clause 10 of the Bill creates part IXA of the Act and provides new sections to cover the procedures for the allocation of grants to applicants.

As mentioned earlier, new section 131B establishes the home buyers assistance fund, the assets of which are the property of the board.

Proposed new section 131C will enable the board to invest moneys with a bank, the Treasury or a building society. Sections 131D and 131E will detail the type of funds that may be paid to the credit of the home buyers assistance fund and payments that may be made therefrom.

Proposed new section 131F will require the board to maintain accounts of the assistance fund which will be audited by the Auditor General and will require the Minister to present a copy of the audited accounts to Parliament.

Proposed new section 131H establishes a home buyers advisory committee consisting of—

- the Registrar of Building Societies;
- the chairman of the Real Estate and Business Agents Supervisory Board; and
- an officer of the State Housing Commission, appointed by the Minister on the nomination of the State Housing Commission.

Provision exists for the appointment of deputy members of the committee.

Proposed new section 131I outlines the functions of the advisory committee, which are basically to consider applications for assistance and make recommendations to the board.

Proposed new section 131L outlines the procedure for making applications for assistance. It provides for a bank or a building society, which has made a loan to a person to purchase a home through a licensed real estate agent, to lodge, on behalf of that person, an application with the Registrar of Building Societies. Assistance is confined to those persons who are purchasing the first dwelling to be owned by them in Western Australia and includes a partially erected dwelling. The definition of "dwelling" includes a lot within the meaning of the Strata Titles Act 1966.

Proposed new section 131M outlines the procedure to be followed by the advisory committee and the board when dealing with applications.

Proposed new section 131N details how the board is to pay grants to banks or building societies on behalf of their applicants. Provision

exists for grants or parts of grants to be refunded to the board, if, for any reason, the grant ceases to be required.

Section 131O enables the advisory committee to recommend to the board, the criteria for the granting of assistance. The board, with the approval of the Minister, will formulate the criteria.

I record my appreciation of the part played by the Real Estate and Business Agents Supervisory Board in bringing this Bill before Parliament.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Brown.

### OFF-SHORE (APPLICATION OF LAWS) BILL

#### *Second Reading*

Debate resumed from 27 April.

**THE HON. J. M. BERINSON** (North-East Metropolitan) [4.52 p.m.]: This Bill replaces the Off-shore (Application of Laws) Act 1977-1979. It is designed to reflect the constitutional settlement which has been implemented since the Act was passed. That is obviously a desirable objective, and the Opposition supports the Bill on that basis.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

#### *Third Reading*

Bill read a third time, on motion by the Hon. I. G. Medcalf (Attorney General), and transmitted to the Assembly.

### BREAD BILL

#### *Second Reading*

Debate resumed from 27 April.

**THE HON. J. M. BERINSON** (North-East Metropolitan) [4.58 p.m.]: This is a Bill to repeal and replace the Bread Act 1903-1973. The Bill has only one contentious aspect, but this is contentious enough to make up for the rest of it. The contentious part of this Bill concerns the new provisions for permitted hours of baking and permitted hours of delivery. In a nutshell this Bill, if enacted, will result in the following changes in the metropolitan area.

Firstly, baking would be permitted between 12.01 a.m. Monday to midday Saturday. This compares with the present situation where baking is permitted from 1.00 a.m. on Monday, 2.00 a.m. on Tuesday, Wednesday and Thursday, and from 8.00 p.m. Thursday, to Friday morning. Secondly, and most significantly, bread deliveries would be permitted from 12.01 a.m. Monday to midday Saturday. This compares with the present position where deliveries are not permitted before 7.00 a.m. on weekdays or at all on weekends.

Of these changes to the baking and delivery hours, it may fairly be said that they are highly objectionable and totally unnecessary. More than that, they are also incredibly stupid. They threaten the stability of an important industry wherever it now operates. They have a disastrous potential for country bakeries in particular. They are industrially provocative and economically absurd.

They will inevitably cause yet another sharp increase in the price of bread—and what is all this disruption in aid of? It is not even as though there is some pent-up public demand for these changes. There is not. To the extent that there is a market for fresh bread on Saturday morning, this could quite comfortably be met by legalising the operation of hot bread shops at that time. Given current realities—that is a change which could reasonably be supported.

The hours provisions of this Bill are so incapable of rational support that they must seriously reflect on the judgement of the Government—and on the Minister for Labour and Industry in particular.

To make matters worse, the Minister was less than frank in outlining the background of the Bill in his second reading speech. He then said—

The respective representatives of both the employers and the employees engaged in the industry have been consulted; and, in the main, the legislation reflects the recommendations of both groups.

That statement was grossly misleading. In fact, on the single crucial question of hours the Bill is opposed by all the following: The Bakers' Union, the Transport Workers' Union, the Bread Manufacturers' Association—representing the great majority of bakers in the metropolitan area—the Country Bread Manufacturer's Association representing most country bakeries—and the Independent Bakers Association representing most hot bread shops in the State.

This almost unanimous condemnation of the Bill by anyone who knows anything about the

industry cannot be treated in the cavalier fashion adopted by the Minister. The issues are too serious for that. They involve the prospect of large-scale unemployment, widespread business failures, and more expensive bread. These are seen by the industry as the inevitable result of what is proposed, and with good reason.

For practical purposes the effect of this Bill is to deregulate the hours of baking and delivery of bread on six days a week.

This would make possible and encourage a change from single shift to double shifts as the normal basis of operations in the industry, and this, in turn, would stimulate the introduction of more highly mechanised baking equipment. This equipment is available already and it is capable of producing more bread with two bakers than the current systems employing five bakers.

Experience in Victoria and Queensland indicates clearly what could then be expected. With the benefit of large-scale production and around-the-clock baking and deliveries, a very small number of very large bakeries could cover most of the State. In Queensland, towns as far distant from Brisbane as 800 kilometres are now supplied in this way, both going north into Queensland and south into New South Wales.

A short, sharp price war led, in the other States, to most metropolitan and a large proportion of country bakeries going out of business. In 1980 a description of the position in Victoria which resulted from baking on seven days a week was in the following terms—

With the introduction of seven day baking the Country Association membership dropped from 739 bakers to 160, whereas their Metropolitan or City counterparts diminished from 550 to 20.

Today, in Melbourne there are three major bakery firms baking 18 hours per day for six days of the week with fully automated plants producing sufficient bread to supply all the wholesale trade in that city as well as transporting bread to supply similar outlets in the country areas of Victoria.

During the past 20 years 25 country flour mills have closed down, due to closure of bakeries, and thousands of workers have been retrenched.

I referred a moment ago to the short, sharp price war during the early part of the process. As might be expected, bread prices then rose as competition was eliminated. In WA, an analysis by the Bread Manufacturers' Association suggests that the expected rise on this account alone would be of the order of 5c a loaf.

This is not necessarily a question of the limited number of large-scale survivors in the industry taking advantage of their position to unduly increase profits. The fact is that, in spite of a high degree of mechanisation, the costs of around-the-clock baking and delivery are very high indeed. No matter what were the Government's intentions when it prohibited the Industrial Commission from controlling the operating hours of the industry, awards can still specify the days and hours during which the ordinary week's work will be carried out, with penalty provisions for other times. These penalty provisions almost certainly would apply to all the extended hours proposed in this Bill. The costs would be very heavy, and inevitably they will be reflected in the price of bread to the consumer.

These are not merely theoretical considerations. They are predictions based on experience already twice repeated in other States. To repeat in this State what has proved to be an expensive mistake elsewhere is a course of action with nothing to commend it.

At the moment hot bread shops are not permitted legally to bake or sell bread on Saturday mornings. This has long since become a law more observed in the breach than in its application. This reflects a peculiarly relaxed attitude by the Department of Labour and Industry in recent years in respect of the policing of the Act, as well, perhaps, as the limited deterrent effect of existing penalty provisions. These are very modest at the moment with, from memory, a maximum penalty of \$40.

Given the position which has developed and the element of public service in the operation of hot bread shops on Saturday mornings, it seems neither reasonable nor desirable to disturb the existing practice. Therefore, during the Committee stage, the Opposition will move to preserve the factual status quo in all respects so far as hours are concerned. That is, we will move to retain the present hours for baking and delivery of bread, but subject to a proviso that bread may be baked and sold in hot bread shops on Saturday mornings, although not delivered from them.

The realities of the baking industry demand that we do not accept the Government's lead on this question of hours. It offers disasters for country bakeries particularly, but also for a large proportion of the industry in the metropolitan area.

I have nothing to say on the other aspects of the Bill, which are not, so far as we are concerned, contentious. However, on these two vital aspects—the hours of baking and the hours of

delivery—I urge the House to be cautious in its approach so that we are not led to the error into which the Government is encouraging us, and to have some consideration for the people in the industry—the manufacturers and their employees—and also for the consumers of bread who, in practical terms, have nothing to gain from this legislation. All they have to gain is increased cost.

**THE HON. P. H. LOCKYER** (Lower North) [5.09 p.m.]: I wish to make some brief comments on this Bill as I was a member of the committee which studied this issue. I listened intently to the comments of the Hon. J. M. Berinson—a member whose comments I respect. The honourable member concentrated his objection to the Bill on the hours of operation of the people involved in the industry. That is commendable, because quite definitely those people must be given consideration. The committee considered them also. However, the member omitted from his comments any reference to the general public. When considering this legislation, the committee's entire consideration was about what was best for the general public.

I cannot accept the Hon. J. M. Berinson's argument that the legislation will be disastrous for country bakeries. I will speak on this matter further when the amendment he foreshadowed is moved during the Committee stage. I cannot accept the view that hot bread shops should be allowed to continue to operate outside the present hours. Why should the hot bread shops very much in the minority in this industry have an advantage over other bakeries? Why should not the general public have the opportunity to buy fresh bread much more easily than they can at the present time? Is there any reason that people should flock to places outside the metropolitan area to purchase bread on a Sunday? I am thinking of such places as Mandurah and Yanchep; many people visit these places on a Sunday to buy fresh bread. Why should not the general public be given the opportunity to purchase bread much more easily on a Sunday?

**The Hon. Fred McKenzie:** Are you saying they flock to these places to buy fresh bread?

**The Hon. P. H. LOCKYER:** I am saying that on many occasions these people drive to such places as those I have mentioned and that they purchase fresh bread as well. If the honourable member has not driven to one of these places and taken the opportunity to purchase fresh bread on a Sunday, I would be very surprised.

**The Hon. Fred McKenzie:** That is a minor consideration.

The Hon. P. H. LOCKYER: I do not think it is. Many more people do this than the honourable member could imagine. The Bill does not provide that the bakeries must bake during these hours—it is up to the baker concerned.

The Hon. J. M. Berinson: Have you ever heard of the pressure of competition?

The Hon. P. H. LOCKYER: Yes, I have. I am a free enterprise man.

The Hon. J. M. Berinson: But you seem to be ignoring it.

The Hon. P. H. LOCKYER: No, I am saying that the general public must be taken into consideration. I do not believe the bread industry should be left as it is. Members opposite are saying that people will be put out of business.

The Hon. Fred McKenzie: It has already happened.

The Hon. J. M. Berinson: It will end up that way. Why should our experience be different from that of Brisbane and Melbourne?

The Hon. P. H. LOCKYER: We should not rely on what has happened in other States. Members opposite are spreaders of gloom.

The Hon. J. M. Berinson: Have you spoken to your local bakers about this?

The Hon. P. H. LOCKYER: I have, and also to many other people. I have spoken to many more people than the Opposition gives credit for.

The Hon. J. M. Berinson: What did they say about the effect on country bakers?

The Hon. P. H. LOCKYER: The honourable member has made a big issue about the fact that country bakers will be disadvantaged. I cannot be convinced that that will happen. I cannot see that the metropolitan bakers will suddenly flood the country areas with bread and put the country bakers out of business. Good country bakers will continue to operate as they have in the past. Metropolitan bread will be purchased in country areas only if the local product is no good.

The Hon. J. M. Berinson: That is simply not true.

The Hon. P. H. LOCKYER: Obviously a person who has spent most of his life in the city would not understand that. However, a person who has lived in a small town will realise that a baker looks after his business. If he bakes bad bread, someone else will bring in bread from the metropolitan area, freeze it, and sell it to the public. If he bakes good bread, it does not matter how much other bread comes into the area, he will sell his bread.

The Hon. J. M. Berinson: Are you suggesting that there were 600 bad bakers in country areas, and that is why they went out of business?

The Hon. P. H. LOCKYER: I am simply saying that we should not compare the situation in our State with the situation in other States. Every State is different. We do not know what will happen until we try it. In our view the legislation will work.

I was interested to hear the remarks of the Hon. J. M. Berinson, and I will listen carefully to his amendment and his comments during the Committee stage. The honourable member does not speak during the debate unless he has done his homework.

I urge members to support the Bill.

**THE HON. G. E. MASTERS** (West—Minister for Labour and Industry) [5.15 p.m.]: I listened with some interest to the Hon. J. M. Berinson and also to the answers by the Hon. P. H. Lockyer, knowing the great depth to which Mr Lockyer went in his investigations with the committee on which he served with our party members.

The Hon. Fred McKenzie: You didn't look too far.

The Hon. G. E. MASTERS: It is no good the Hon. Fred McKenzie saying the committee did not look too far, because it looked as far as was necessary and went into the matter very thoroughly and deeply. Do not be mistaken on that point.

It was properly pointed out by the Hon. Phil Lockyer that the Hon. Joe Berinson had lost track, or perhaps interest, in the most important people concerned—the public. If we look at the operation of hot bread shops, the public have clearly demonstrated that they are looking for fresh bread and different breads in a way that we have not seen for some years. One only has to go to a local shopping area to see that. The public are supporting those outlets.

It is of great concern to me particularly that the speaker for the Opposition seems to have decided to represent perhaps some of the major bakeries and some of the unions which obviously have a vested interest and do not want to work extra hours. We are saying that there is an option. It is no good people saying that competition will force longer baking hours because, as I understand it, some of the major bread producers have production lines which can turn out much more bread than they do at present. They have a market and they produce for that market at the times that suit them. When they finish the production of bread, they stop the production line.

They could produce for another two or three hours if they wanted to.

In a private enterprise situation, small bakers and hot bread shops which wish to compete and are prepared to work longer hours, should be able to do so. They should be able to supply the public with a product they are looking for and almost demanding. The Government would have been quite wrong had it not responded in this way.

The Hon. Fred McKenzie: You are looking after the big cartels.

The Hon. G. E. MASTERS: That remark demonstrates that the Hon. Fred McKenzie has not studied the Bill or, to any extent, the present situation.

The Hon. J. M. Brown: You are certainly not looking after the country baker.

The Hon. G. E. MASTERS: It is quite wrong to say we are looking after the cartels. We most definitely are not. In fact, the opposite applies.

The Hon. J. M. Brown: Are you saying that the small bakers favour it?

The Hon. G. E. MASTERS: I am saying the small bakers and hot bread shops, whether in the metropolitan area or in country areas, will be able to choose their hours of operation and baking and times of delivery with greater freedom than before. We are helping the small man who has disappeared over the years, and many members might suggest that is the reason that the quality of bread has deteriorated.

The Hon. J. M. Berinson: Are you saying this will help the small baker?

The Hon. G. E. MASTERS: It will give every opportunity for the small baker to do well.

The Hon. J. M. Berinson: The fact that it has worked in the opposite way elsewhere is just a coincidence?

The Hon. G. E. MASTERS: All the studies I have made and the demand from the public clearly demonstrate that there is a need for this type of service and bread. I spoke to the industry today, and I am interested to hear the Hon. Joe Berinson say a large number of groups—and he named them—are opposed to this measure. I met the main producers' representatives this morning and the position is quite clear. There was no firm objection to the bread baking times. There was a little concern, but no great objection because I specifically asked the question as to the proposed baking times.

The Hon. J. M. Berinson: But they are all linked.

The Hon. G. E. MASTERS: They are not all linked. Because the big bakers are able to produce on a massive scale they do not have to start at 12.01 a.m. and go on all day. They choose their times now and they will in the future. We say the baking times are reasonable for those who want to compete and serve the public with a good quality product. I know it will mean that some private enterprise businesses will operate long hours, but they are used to that and they are prepared to do it. In relation to delivery times, I would suggest that the Hon. Joe Berinson is pushing the barrow of the Transport Workers' Union.

The Hon. J. M. Berinson: Not at all.

The Hon. G. E. MASTERS: The Transport Workers' Union is opposed to extended delivery hours. At present the major bakeries do not deliver bread on Saturday morning, although they are allowed to do so. I imagine that if they do not want to deliver on Saturday morning in future, they will not have to do so under this new proposal.

The Hon. J. M. Brown: You do not know much about it if you are blaming the Transport Workers' Union.

The Hon. G. E. MASTERS: I am saying the union is bitterly opposed to the idea of working longer hours.

The Hon. J. M. Berinson: They are no more bitterly opposed than the bread manufacturers.

The Hon. P. H. Lockyer: Are you sure you are not riding to instructions?

The Hon. Fred McKenzie: You know better than that.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! I ask the Minister to address his remarks to the Chair.

The Hon. G. E. MASTERS: We are deregulating the industry to a certain extent and I think that is a good proposition. It is surely in the interests of private enterprise, and that is what we on this side of the House stand for.

The Hon. Garry Kelly: Will we get better bread and will it be cheaper?

The Hon. G. E. MASTERS: I think the Hon. Garry Kelly will get a better quality product and at a time that suits him. The competition itself will fairly regulate the price. That has always been the case. I do not propose to go into detail on the argument about delivery times because the Hon. Joe Berinson proposes to go into that later. When I said in my second reading speech that the industry had been consulted and generally supported the Bill, I was sincere because there are

19 pages in the Bill and 19 clauses, and there are objections to only two clauses.

The Hon. J. M. Berinson: That is the only serious change in the Bill.

The Hon. G. E. MASTERS: This Bill contains a whole host of matters, such as delivery of bread, and controls on weight, quality and the like.

The Hon. J. M. Berinson: It abolishes the \$1.20 licence fee. I suppose that is an important change.

The Hon. G. E. MASTERS: These are very important issues. I would urge members to support the Bill in the interests of deregulation and free enterprise and a better product for the public.

Question put and passed.

Bill read a second time.

#### *In Committee*

The Chairman of Committees (the Hon. V. J. Ferry) in the Chair; the Hon. G. E. Masters (Minister for Labour and Industry) in charge of the Bill.

Clause 1: Short title—

The Hon. MARGARET McALEER: I appreciate that the Minister has taken a great deal of trouble to try to reconcile the competing interests of the bakers and those of differently situated breadmakers and that it is difficult to satisfy the whole of the industry. Allowing for this, I would still like to express, when we reach the appropriate clause, the anxiety of some country bakers in my electorate. As far as I can ascertain there is a division of opinion among country bakers, depending largely on whether they are in a large country town or city, such as Bunbury or Geraldton, or whether they are small businesses servicing their particular towns or districts, or trying to extend their business into other districts.

It is important to bear in mind that these bakers have different points of view. I understand that at their industry meetings there was not a consensus of views. There were serious reservations, and for some people perhaps these were valid. This does not apply to the whole of the industry.

Clause put and passed.

Clauses 2 to 7 put and passed.

Clause 8: Hours of baking—

The Hon. J. M. BERINSON: I move an amendment

Page 11 Delete subclause (2) and substitute the following

(2) The making or baking of bread for sale by a person employed or engaged in the trade or calling of a baker—

(a) within a radius of 45 kilometres from the General Post Office, Perth, between 1 a.m. and 6 p.m. on Monday, between 2 a.m. and 6 p.m. on Tuesday and Wednesday, between 2 a.m. and 12 noon on Thursday, between 8 p.m. Thursday and noon on Friday, and in the case of hot bread shops only also between 2 a.m. and noon on Saturday; and

(b) in any other place in the State during the hours applicable to hot bread shops within a radius of 45 kilometres from the General Post Office, Perth, is hereby authorized.

The purpose of this amendment is to reflect the intention indicated in my second reading speech; that is, to preserve what I then called the factual status quo. By that I mean preserving the legal status quo in respect of bakeries, and preserving the factual status quo, though not yet legal, of the hot bread shops which have adopted the practice of baking and selling on Saturday mornings. It is sad to see the limited interest in this measure, particularly the limited interest by country members. It is not only sad, but also rather surprising, given the history of this legislation. Members will no doubt recall that a quite similar Bread Bill was introduced in 1981. It was withdrawn after the second reading introduction. The then Minister for Labour and Industry, and now Premier, Mr O'Connor, explained that a number of difficulties and disputes on the subject matter of the Bill had arisen, and he thought it desirable that it should be given further attention.

At that time Mr O'Connor did not say so, but there was a general understanding that the reason for the withdrawal of the Bill was the interest and concern of country members for the preservation of country bakeries. That concern, if it existed at that time, was well based; if it has dissipated in the meantime, that is a pity. Strangely enough, having withdrawn the 1981 Bill to try to accommodate apparent problems, we have been presented now with a Bill which, from the point of view of the baking industry, is even worse. At least the 1981 Bill restricted the delivery of bread to the hours after 5.00 a.m. on each day, whereas this Bill virtually allows around-the-clock delivery between a minute after midnight on Monday to

12.00 noon on the following Saturday in the metropolitan area, and from 12.01 a.m. on Monday to 8.00 p.m. on the following Saturday outside the metropolitan area. This is a far worse position in terms of trying to preserve the stability and the employment prospects of this industry.

It was suggested by the Hon. Phil Lockyer and by the Minister that in all our earlier discussions we on the Opposition side seemed to be paying excessive attention to the interests of the bread manufacturers and the employees in the industry and paying insufficient attention to the interests of consumers. I would have thought my earlier comments made it clear that we are as concerned for consumers as we are for the industry and that it is an important part of our opposition to this Bill that it will operate against the interest of consumers, and in the absence of any demonstrable demand for the extra service which the Minister is intent on foisting on them.

All the Minister can bring to us as evidence of a demand for the universal availability of bread from all bakers on Saturday mornings is the fact that a shop in Mandurah is very busy after metropolitan trading hours and so are the hot bread shops in the metropolitan area. We concede that.

Nonetheless, we submit that there is no evidence to suggest that the present availability of fresh bread from hot bread shops in the metropolitan area is not meeting the level of demand which now exists or, if we need to go further than that, that the legalising of hot bread shops baking on Saturday mornings would fail to attract enough additional hot bread shops into the industry to cater fully for whatever demand then exists. It is an important element of my amendment that we are opening the way for fresh bread to be legally baked on Saturday mornings in the metropolitan area.

The other aspect of public interest to be brought against this Bill relates to price. We have emphasised that on the best advice available to us this Bill will lead to a 5c increase in the cost of a loaf of bread. That is not an increase of 5c for a loaf of bread purchased on Saturday morning; it is an increase in the whole supply of bread of 5c a loaf, or about 6 per cent above the present price.

The Hon. P. H. Lockyer: On what do you base that?

The Hon. J. M. BERINSON: On an analysis by the Bread Manufacturers' Association. Its members are the proper people to provide such an analysis. I hasten to assure members opposite that these are not figures provided by the Transport Workers' Union. I add, too, that as vehement as

the Transport Workers' Union might be in opposition to this Bill, its position really pates when compared with the attitude of the Bread Manufacturers' Association.

The Minister is a very accommodating man, always prepared to discuss any legislation for which he has responsibility.

The Hon. D. J. Wordsworth: Put the butter on the bread, not the Minister.

The Hon. J. M. BERINSON: In keeping with that warm and generous approach, apparently he spoke today to representatives of the bread industry, and I know he has spoken with them previously. No doubt he will do so again. The only problem is that he does not listen to what they are saying. What every single one of them is saying, in his representative capacity, is that this Bill is bad news for the industry, bad news for everyone concerned with the industry, and bad news for the consumers as well.

I was fascinated to hear the Minister telling us to whom he had spoken and what he had heard. I was even more fascinated to hear what he did not say. What he did not say, after this widespread consultation with people concerned with bread baking in this State, was that he could bring to this Chamber an indication from any one representative body of consumers or the industry body of support for his Bill. I have named five who do not support it: The Bakers' Union, the Transport Workers' Union, the Bread Manufacturers' Association, the Country Bread Manufacturers' Association, and the Independent Bakers Association. The metropolitan association has a membership of bakers representing 90 per cent of the bake in the metropolitan area. I would have thought that was a good representation of the industry. The Bakers' Union and the Transport Workers' Union virtually have total coverage, and that is fairly representative. The country bakers and the independent bakers with their hot bread shop proprietors have in their associations a majority of people active in their respective parts of the industry.

All those bodies have come to us and said unequivocally that this is a bad Bill. I would like to hear from anyone opposite—from the Minister or one of his supporters—a statement that he can bring to this Chamber the view of any representative body to match against the five I have named. No-one opposite can do that, because such an opinion does not exist in any group which has any knowledge of this industry.

Perhaps the extent of disinterest in the ramifications of the Bill was illustrated by the Minister's comment, in answer to an interjection,

that the bakers did not seem all that concerned with the change in baking hours and that what they appeared to be mainly concerned with was the proposed change in delivery hours. That was quite an astonishing comment by the Minister, because he has apparently missed the point, which has certainly not evaded the bread manufacturers; namely, that unless there are around-the-clock deliveries there is no point in anyone engaging in around-the-clock baking. They simply would not do it.

That is just an industrial reality. It is also an industrial reality, which does not change when one crosses the rabbit-proof fence, that country bakers and smaller metropolitan bakers will go out of business as a result of the centralisation of power which this Bill will permit. The machinery I referred to before costs in the order of \$1 million a unit. The people who can afford those units are very small in number. It is they who will end up with a virtual monopoly of the bread market in this State. It has happened in Queensland and it has happened in Victoria.

Today I have been told at least twice and perhaps more often that what has happened elsewhere need not necessarily happen here. Again, I issue an invitation to the Minister to indicate where, in a market similar to the Australian market, he can point to an unregulated industry where centralisation of baking power has not occurred. That is a warm and genuine invitation to which I hope he will respond. I hope his response will be more relevant than some of his other comments and that he will restrict himself to dealing with similar markets.

I want to make only two other brief observations on my amendment. The amendment was drawn up in great haste, and one of our problems—and I suspect it is one of the problems of country members of this Parliament who simply have not realised the ramifications of the legislation—is the current rush of legislation. As result of that rush I was unable, in the drafting of the amendment, to meet all the requirements that one would normally cover.

If this amendment were carried, the Bill would need an additional definition of "hot bread shops", as these are not defined in it. I point out also that, although it is the question of delivery hours which poses the greatest threat to the industry, it would be reasonable to take the rejection of this amendment as an indication that a detailed amendment to the delivery clause would not have any practical purpose.

When a similar Bill was introduced in 1981 the Government put it aside for further consideration.

The same necessity for consideration applies even now. In my discussions with the industry representatives it was clear that, following the withdrawal of the 1981 Bill, not in their worst nightmares did they consider something even more disastrous to their interests might be introduced, yet that is what has happened.

The truth of the matter is that they have been caught on the hop. Many members in this Parliament have not yet been approached by the people concerned. The Bill was introduced only last week and we are to proceed with all stages today. That is much too early for the people concerned to be able to muster their thoughts, let alone their arguments. It is most important that we do not allow that situation to lead to a Bill being passed which has been insufficiently considered and whose ramifications have been insufficiently considered.

I submit quite seriously that this Bill has quite disastrous implications for a large and important industry with a very large work force. It is most undesirable that we should proceed to adopt clause 8 in its original form. I commend the amendment to the Chamber.

The Hon. P. H. LOCKYER: I listened very carefully to the Hon. Joe Berinson's arguments and I must say that I do not agree with his amendment. I simply cannot work out the point of it. He has not convinced me that the country operator will be so severely disadvantaged. I take it that he is afraid that the cartels in Perth will use the extended delivery hours to supply bread to country areas. Is that so?

The Hon. J. M. Berinson: The extended baking and delivery hours.

The Hon. P. H. LOCKYER: I cannot agree with that. I do not believe that any good operator who is in the baking business in the country and has a similar opportunity to supply the market will allow that to happen; indeed, no businessman would allow that to happen. In a lot of cases the distances involved and the costs of delivering over those large distances will simply preclude the big operators in Perth from supplying country areas. The argument that I put up in the second reading speech that the general public must be taken into consideration applies here also.

The point the Minister made about the industry having the opportunity to bake in the hours it wants is a very important one. Nobody is holding a hammer over bakers' heads and saying they must commence baking at one minute past midnight on the Monday morning. By interjection, one of the honourable members opposite asked me if I knew about the operation

and competition involved. Of course I do. The smarties or good operators will take that into consideration and might choose not to operate in those hours; in fact, a baker might choose to bake his bread in the daylight hours because he will choose the market to which he wants to present his product. That is very important. This clause of the Bill expands the opportunity for operators in business to take an opportunity which did not exist previously when they had to cease baking at 6 o'clock at night.

The Hon. Garry Kelly: Have you spoken to country bakers to get this information?

The Hon. P. H. LOCKYER: Yes. The only person I did not speak to was Mr Kelly, and I kindly left him off the list!

The Hon. J. M. Berinson: In relation to the bakeries you have spoken about, how far from Perth are they?

The Hon. P. H. LOCKYER: This is a good point. I have restricted my consultation with bakeries to those in my own province.

The Hon. J. M. Berinson: What distance are we talking about?

The Hon. P. H. LOCKYER: Six hundred miles. Incidentally, Mr Berinson, it does not alter my argument.

The Hon. J. M. Berinson: It should.

The Hon. P. H. LOCKYER: It does not, because I still maintain my original argument that it should not worry a baker in an area close to Perth. Why did it not worry him before, even with the hours people were allowed to bake then?

The Hon. J. M. Berinson: Because they cannot get fresh bread down there under current hours.

The Hon. P. H. LOCKYER: I do not accept that.

The Hon. J. M. Berinson: It is a fact.

The Hon. P. H. LOCKYER: By the time the bread gets there it will not be very fresh. I am talking about the swiftness of delivery. Mr Berinson spoke about the Queensland situation of "800 kilometres each way". I would not like to be at the end of the 800 kilometres because that would be like a run around Gascoyne Junction and by the time the bread arrived it would not be any good. Obviously, some people in more remote areas take advantage of frozen bread from the bakeries available to them. As far as hot bread shops are concerned and the figure of \$1 million that the honourable member mentioned, I cannot think of many hot bread shops which have spent \$1 million to set up their operations.

The Hon. J. M. Berinson: You miss my point. I was talking about the mechanised equipment that would go into the major modern manufacturers' shops.

The Hon. P. H. LOCKYER: I take the point. I still say that in the long run the public will be well served. It is a scare-mongering tactic to say the Bill will increase the price of a loaf of bread by 5c. No-one could convince me in black and white that this amendment will cause that to happen. An opportunity must be given for the Bill to work. I believe it will work. In the long run, the public will end up with big pluses.

The Hon. G. E. MASTERS: I thank the Hon. Joe Berinson for saying I am a very kind and accommodating person. Generally, I am. Come to think of it, I am at all times! Because occasionally I do not agree with what he says does not mean to say I have lost that ability; but for the life of me, I cannot see what he is getting excited about. What he has suggested is a hotchpotch of hours which would be difficult to control as far as customers are concerned, when compared to the standard times.

The Hon. J. M. Berinson: Excuse me. These are the current hours.

The Hon. G. E. MASTERS: I know. They are a hotchpotch of hours.

The Hon. J. M. Berinson: No, they are not.

The Hon. G. E. MASTERS: There have always been difficulties. Surely to goodness, if the honourable member were to place himself in the position of an independent baker in a hot bread shop or a little business who was looking at this piece of paper which says, "Right, you can open on Sundays; you cannot open on Thursday afternoons or Wednesday afternoons; you can bake on Thursdays; you cannot bake at these times and on these afternoons; you can bake in the mornings, but you cannot bake before 2 o'clock"—and so it goes on and on—he would find it very difficult to comprehend.

The Hon. J. M. Berinson: Do you have difficulty understanding that timetable?

Several members interjected.

The Hon. J. M. Berinson: It seems like it.

The Hon. G. E. MASTERS: If such persons were to be served with these hours, they would say we were going mad. They would ask us how they were to run their businesses. All we are saying is that as businessmen they should have an option. If we were to continue with the hours proposed by the Hon. Joe Berinson, we would be regulating for the sake of regulating. We are talking about deregulation and about the freedom for these

people to go about their businesses as they wish. That is really what it is all about. If the member does not believe that, I am sorry for him, because sooner or later he will have to face the change.

The Hon. Fred McKenzie: They do not wish it!

The Hon. G. E. MASTERS: I am saying they will have the option and they will take that option. In respect of the big manufacturers, the hours will now start at 12 o'clock and extend to perhaps 3 o'clock. They can get themselves into gear and turn up to do more baking.

The Hon. Fred McKenzie: It will destroy country bakeries.

The Hon. G. E. MASTERS: There is no reason to put forward that argument.

The Hon. J. M. Berinson: Why did it happen in Victoria?

The Hon. G. E. MASTERS: I am talking about the highly mechanised and large operations in the bread industry. There is evidence that most of the bread or a great proportion of it in this State is being produced by a small number of large operators.

The Hon. J. M. Berinson: The number will be a lot smaller if you have your way.

The Hon. G. E. MASTERS: When Mr Joe Berinson says there is no evidence that there are people who want these extra baking hours or want changed hours, he is not stating the truth. The Independent Bakers Association has between 50 and 60 members and is keen to have these extended hours.

The Hon. J. M. Berinson: That is not true.

The Hon. G. E. MASTERS: I have a letter here.

The Hon. J. M. Berinson: The Independent Bakers Association has specifically stated its opposition.

The Hon. G. E. MASTERS: I will give the member a copy of the letter afterwards.

The Hon. J. M. Berinson: Please read it now.

The Hon. Fred McKenzie: Read it out. I would like to hear it too. Surely it is not secret.

The Hon. J. M. Berinson: Would you care to indicate the date of the letter?

The Hon. G. E. MASTERS: It is dated 16 February 1981.

The Hon. J. M. Berinson: Thank you. It makes a difference.

The Hon. G. E. MASTERS: It was as a result of the committee of investigation. Obviously, since 1981 the association has been considering the matter very carefully. In fact, the Bread Bill

was produced last year and the hours were changed very carefully and very conscientiously.

The Hon. J. M. Berinson: Would you care to read that letter of February 1981?

The Hon. G. E. MASTERS: I am not going to read it.

The Hon. Fred McKenzie: You have got something to hide!

The Hon. G. E. MASTERS: I have nothing to hide.

The Hon. Fred McKenzie: Read it out!

The Hon. J. M. Berinson: May I have it to read?

The Hon. G. E. MASTERS: I am making my speech.

The Hon. J. M. Berinson: Can I have the letter now? I can read it while you continue your comments?

The Hon. G. E. MASTERS: The member can have it afterwards. It is on a file and I am certainly not going to pass the file around.

The Hon. J. M. Berinson: You are not in good form tonight!

The CHAIRMAN: Order! Would members please cease their interjections?

The Hon. G. E. MASTERS: I am certainly not going to pass a large file around. Part of the file is confidential. We are talking about an option for those people who wish to use these hours for their own benefit. We are not foisting these hours on the public, but are offering them the choice and the opportunity. We are letting them make their decision. Surely, if a person is in business he has the right to make this choice.

As far as the increase of 5c in the price of a loaf of bread is concerned, there is not one piece of evidence that has been produced here tonight to justify that happening. This is just something that has been used by Mr Berinson and some others to impress the Gallery so that, hopefully, Press reporters will go out and say, "This Bill is terrible. It will lead to the price of bread increasing by 5c a loaf." There is not one shred of evidence to suggest that will happen.

The Hon. J. M. Berinson: You do not think bread manufacturers know their business?

The Hon. G. E. MASTERS: They certainly have an interest in this, but I will not go any further.

The Hon. P. H. Lockyer: Conjured!

The Hon. P. G. Pental: Yes, conjured. They used the same arguments about late trading four

years ago and as recently as a week ago, those arguments were disproved.

The Hon. G. E. MASTERS: Frankly, the Opposition has been misled. These people have a vested interest in this area. If members opposite are considering the interests of the public, those people that we in this Chamber are supposed to represent, they will disagree with the amendment and will go forward with the Government's proposals.

I oppose the amendment.

The Hon. MARGARET McALEER: I do not feel able to support the amendment because I do not think it quite meets the case, and also because the reports I have received from my country bakeries have come out evenly between those who are satisfied and those who are anxious about this matter. I must agree here with Mr Berinson. Many of these people have not contacted me and it may well be because they have not had time to do so. But those smaller bakeries and which are most anxious and are competing for markets outside their home towns have indicated that they felt threatened under the existing Act because much larger bakeries have highly sophisticated and costly machinery and can in fact produce bread in a much shorter time than a baker working in the country. They also work on a much larger scale than the country bakers.

In relation to the time differences due to this modern machinery, I understand it takes a baker in a country town three hours to produce his bread and a further hour to let it cool in order to produce sliced bread, which is an important part of the bread trade; whereas a baker with highly sophisticated machinery can now produce bread in 1½ hours' baking time and he can cool it in half an hour, and thus has a time advantage of two hours over the smaller baker.

Given the restriction of the present Act in relation to hours of baking and delivery hours, either it has not been strictly policed, because it is beyond the powers of the department to do so, or perhaps the penalties are so light that they do not deter anyone from infringing the Act. The fact is that there are difficulties. The larger bakeries, if so minded, have great opportunity to get at the markets of the existing small bakeries, and so the anxieties in relation to this Bill which I am expressing on behalf of the small bakeries in relation to this Bill are simply that they may in fact be further disadvantaged.

On the other hand, there are bakeries in the country which are perhaps quite happy with the situation and which feel, as the Hon. Phil Lockyer said, that their product and their long-standing reputation in that regard is quite sufficient to

protect them from any outside competition, whether it comes from nearby country towns or from the metropolitan area.

Some bakeries are anxious about this Bill. At present they deal with a particular flour mill, but a representative of another flour mill might ask them to buy flour from his company. The bakeries are worried that if they refuse, the owners of the flour mill might say, "If you won't buy from us we will bring bread into your town and undercut you." They are concerned that the vertical integration of the industry is such that that could occur.

The Hon. J. M. Berinson mentioned that something like 25 flour mills in Victoria had disappeared. As I understand the situation in this State, only two controlling interests apply, so one might say we have only two flour mills. These are integrated into the bread manufacturing industry, and this leaves itself open to the possibility of power over the whole structure being placed in the hands of a few, which could enable them to threaten certain action. I cannot say that I know these people have taken such action, but I know they have threatened to put bread into a small country town market simply because the baker in question either would not or could not buy his raw materials from those particular interests. That sort of thing appears to me to be just as menacing as anything else to small bakeries.

*Sitting suspended from 6.02 to 7.30 p.m.*

The Hon. MARGARET McALEER: Before the dinner suspension, I was about to say that the small country bakers, and indeed any small baker, are beset by difficulties no Government could legislate for because of the small scale of their operations. They have less buying power, and so the costs of the materials that they need—ranging from the raw materials to the wrapping paper—will be affected. They cannot offer the large discounts that the large bakeries do. The fear of competition from the big bakeries is a real one—another disadvantage added to those already suffered. They include the very considerable physical effort that is required.

I have had put to me most firmly that zoning would be an even more effective safeguard than the strict regulation of the baking and delivery hours. It may well be that more bakers would agree with this than with any other argument.

All I can say is that country bakeries are worth-while businesses for country towns and districts. They provide employment, and they add to the population of country districts in two ways. That is important in the provision of facilities—police, schools, and so forth.

The bread made by country bakeries is a real amenity for country people. It would be a great shame if the legislation, if it were passed, were to prove detrimental to country bakers. I would like to receive the Minister's assurance that if the Bill is passed he will review its operation in six months.

The Hon. TOM McNEIL: I accept the challenge of the Hon. Joe Berinson who said that country members were permitting the Bill to go through without making a suitable contribution to the debate. I was in the bread business to some extent before I came into the Parliament—as a matter of fact, sometimes I wish I was still in the bread business—and I know some of the problems besetting small bakeries.

When I had a shop in the Geraldton region, the last available delivery of fresh bread was in the early hours of Saturday morning. That bread had been baked between midnight and dawn. The bakeries were in the habit of delivering this supply, to keep a shop stocked with its requirements for Sunday. Of course, in the non-returnable situation, the small shopkeeper was disadvantaged because he did not know how much bread he was likely to need. He could be caught with bread costing 75c or 76c, less the discount, on the Monday morning. That created a fragile situation in the country areas, because the shopkeepers had to be very careful about the amount they ordered.

I would have sold 80 or 90 loaves of bread in that time; but on the Monday morning, I could still have had 10 loaves on my shelves. Therefore, under the non-returnable situation I could have worked the weekend for no profit whatsoever.

As I said before, I accept the honourable member's challenge to make a contribution to the debate. Having heard his comments, I can see no reason for not supporting this amendment. I also reiterate the remarks of my colleague, the Hon. Margaret McAleer. The situation of the country bakeries is a fragile one. They never know when some of the bigger organisations will come into the country areas and take over some of their trade.

I know of instances in which country bakeries have extended their business into other country areas, and some of the smaller bakeries have been knocked on the head. As a large operation in a country centre would be able to bake from 5.00 a.m. until 12 noon on Sunday, it could certainly cause some problems. It could bake an awful lot of bread in that time. The bakery could go to the shopkeeper and tell him that he would be able to obtain fresh bread on Sunday morning. The

shopkeeper would be in the situation of taking bread from the opposition source; and the baker who lost the order would then have to start warming up his ovens and competing for the Sunday business. This would create a problem.

The points put forward by the Hon. Joe Berinson were pertinent. If those arguments cannot be refuted by the Government, I see no reason for not supporting the amendment.

In order to ensure that businesses such as bakeries in country areas are not affected, and because of the fact that we will have an increase in bread prices if this Bill is passed, I support the amendment.

The Hon. J. M. BROWN: I support the amendment, and I acknowledge the remarks of the Hon. Tom McNeil and the Hon. Margaret McAleer. The Hon. Margaret McAleer used the word "predators" when she spoke about the baking industry and what would happen to the country bakers. The Committee should understand that the 45-kilometre limit means the metropolitan region is growing. In that area, safeguards for the protection of bakers are not required. It is the country bakers who will be imposed upon.

Earlier this evening the Hon. Philip Lockyer mentioned Mandurah. I suppose Mandurah would be one of the best bread producers in the State of Western Australia. I agree with the Hon. Philip Lockyer that people do not go to Mandurah solely to buy bread, but they go because of the nature of Mandurah. However, once there, they always buy Mandurah bread before they go home. The Mandurah market will be lost completely. It will not be able to continue if a monopoly situation with a growing market is allowed to expand in the metropolitan area.

This amendment is not a hotchpotch amendment, as suggested by the Minister for Labour and Industry. It has been well thought out, and its only concern is for the benefit of the industry.

I wonder if the Minister has approached any of the flour millers; they have a very important role to play in this industry. Indeed, if it was not for the flour millers, many country bakers would have found it very difficult to establish themselves in the first instance, and to carry on in the second place.

The Hon. W. M. Piesse: Who owns the flour mills?

The Hon. J. M. BROWN: The flour mills are owned by the flour millers.

The Hon. W. M. Piesse: That's right!

The Hon. J. M. BROWN: Irrespective of who owns the flour mills, I am pointing out the important role of the flour millers, and their assistance to the industry. I know what the flour mills have done in relation to the production of quality flour. I know of the disappearance of flour mills throughout the country.

I want to point out that this Bill is a retrograde step as far as the baking industry, generally, is concerned. Most importantly, that applies to country people. We will have no answer other than suggested by the Hon. Joe Berinson. We will see the disappearance of the small bakers. That is what the Bill is designed to do; it is not designed for any other reason.

It horrifies me that, with an expanding market in the metropolitan area, it is necessary to introduce such a Bill and to deprive people in the industry in the agricultural and rural regions of this State, who are finding it hard enough to compete now, of the chance of survival.

As the Minister for Labour and Industry pointed out, deregulation of another type is being considered, and we will speak more about that tonight. It is about time the Government took the step of regulating the industry so that everyone has an opportunity to prosper and progress.

The Hon. P. G. Pendal: I hope your leader hears you saying that, because he has been trying to tell everybody around here that he is against that.

The Hon. J. M. BROWN: Against what?

The Hon. P. G. Pendal: Regulation.

The Hon. J. M. BROWN: I am talking about deregulation. I am talking about deregulation under this Bill, and I am talking about the deregulation about which we will be speaking later this evening in connection with the Westrail venture. That deregulation will not do the country people any good.

That is a classic example. The Government has the whole world at its feet in the metropolitan area. What more does it want? How hungry can it be? Why does not the Government give a chance to the rest of the people in this State?

I was very pleased to hear the comments of two country members in relation to this Bill. I will be interested to hear the comments of other country members in relation to the people in the south-west—Mandurah, Bunbury, Busselton, Margaret River, and the rest. They should have a look at this and see what opportunity they will have.

When the Government introduces deregulation of the baking industry, the industry will be monopolised by a few bakers. I urge members to

support the amendment moved by the Hon. J. M. Berinson.

The Hon. P. G. PENDAL: I oppose the amendment, and I wish to make a brief comment on it and on the debate that has taken place so far in the Committee.

The arguments that have been put by the Opposition tonight bear a strong resemblance to the arguments put four years ago in Western Australia in relation to extended hours of trading on Thursday nights. They bear a remarkable resemblance indeed; they have the same exaggerated, wild tone about them. Indeed, the suggestion of a bread price increase of 5c comes from the industry source themselves, as the Hon. Joe Berinson mentioned.

It is four years since the topic of late night trading for many sections of the retail industry was raised. Many parts of the industry showed themselves to be opposed implacably to any extension of those hours. In relation to this debate, it is important to remember that at the time the Government made clear that the extension would be an optional one. The same point has been made by successive speakers on the Government side tonight. This also is an optional matter. However, the Opposition gives the impression that, somehow or other, people will be compelled to operate their bakeries on a full-time basis, or they will have to go into these extended hours.

This is the sort of wild exaggeration which we had to put up with four years ago in relation to extended trading hours. Members should realise that the sorts of things we are talking about tonight, not only in relation to price rises, but also in regard to extended hours being optional, were the subject of argument four years ago.

The people who only four years ago were suggesting dire consequences for the whole of the retail industry in Western Australia have now had another look at the matter. An article appeared only yesterday in *The West Australian* which referred to a four-yearly review which was carried out on the effects of the introduction of late-night trading. Time and time again industry groups were named in that article, and they rebutted the claims which were made four years ago.

Now, in this debate, we are hearing the same sorts of arguments. It was rather interesting to see a statement in that article by the Executive Director of the Retail Traders Association of WA (Inc.), Mr Dawson. If I remember correctly, four years ago he was not one of the advocates of late-night trading, but only yesterday he said that, after four years of late trading, there had been no

detectable increase in prices because of the extended hours. That is an interesting comment and no doubt, four years down the track, the same remarks will be made in relation to the speeches made in support of this amendment tonight.

The Hon. W. M. PIESSE: I do not support the amendment and I regret I was not able to be present to hear the arguments put forward by the Hon. Joe Berinson in support of it. I have researched this matter, because I am concerned about country bakeries. This Bill is geared towards the protection of country bakeries---

Several members interjected.

The Hon. W. M. PIESSE: I gave particular consideration to one matter and I am a little disappointed a provision concerning it was not included in the Bill; that is, in country areas bread may be sold and delivered within a radius of 45 or 50 kilometres from where it is baked.

I have examined the number of bakeries in country areas. Bakeries in the metropolitan area have the population and trade to organise their own competition, but in country areas, in almost all cases, there is a possibility already of some competition within 50 kilometres of an existing bakery.

If this amendment related to the delivery of bread within a radius of 50 kilometres from where it was baked, it might have a saving influence on the industry in the country. However, that is not so.

Many bakers in the metropolitan area have gone to the wall already and we are fearful some of the country bakers may follow that trend. For that reason I, along with some other people, have considered whether the answer to the problem might lie in a provision which restricts the sale of bread to a radius of 50 kilometres from where it is baked.

If big bakers wish to establish in a country area, no-one objects to that. However, we are trying to achieve two situations in the country: Firstly, bakeries should be situated within a reasonable range of access to people dwelling in country areas; and, secondly, we should protect apprentices. Apprentices in country bakeries learn the baking industry from go to whoa, whereas apprentices trained in the metropolitan area, where a great deal of the baking is performed by machinery, frequently would not know how to bake a loaf of bread if given the flour, butter, and milk or water. Therefore, we are aiming to preserve those skills.

I cannot support the amendment in relation to hours of work, because in country areas it is necessary for bakers to have a degree of leeway.

Frequently they have to supply bread to people by means of trains and buses; therefore, it is necessary that they be able to bake on Sundays to fit in with train or bus schedules.

I cannot support the amendment.

The Hon. J. M. BERINSON: I shall try to be brief, because, to a large extent, we will be covering old ground. However, I should not allow to go unanswered some of the comments which have been made in the course of debate on my amendment.

The Hon. Philip Lockyer said that the small country baker will not allow the metropolitan baker to take over and his confidence in what country bakers will be able or unable to do is very touching. I am sure his confidence will warm the hearts of country bakers, but it will not keep them in business and that is really the problem we have to face. It is not a question of whether the small country baker will allow the metropolitan baker to take over. He really will not have a choice and the evidence for that is the 600 country bakers who have gone out of existence in Victoria. They have been priced out of existence, and, during the second reading debate, I indicated how that process operated. There was a short, sharp price war during which the small bakers were put out of existence, the development of replacement services occurred, and there was no opportunity for any small businessman to come back into the industry.

It is not much good reviewing the situation in six or 12 months' time: when they are gone, they are gone, and there is no prospect of bringing them back. After they have been put out of business, it will not be of any use to think about quota districts or something of that nature which some honourable members have indicated they might support. If any member of this Chamber wants to support a district system to preserve the country bakers, now is the time to advocate it, because next time around it will be too late.

The Hon. W. M. Piesse: What do you think about a 50-kilometre radius?

The Hon. J. M. BERINSON: I would like to see the proposal in detail, because it should be considered. No doubt a serious case can be made for the proposition, but I do not know what that case is, because I have not applied myself to it previously.

Unfortunately, a measure of the way in which much of this debate has gone is the extremity of the examples on which some of the opponents of this amendment have relied. The Hon. Philip Lockyer, for example, said that not only would country bakers simply not allow the metropolitan

bakers to take over, but also they would be assisted in their defence by the problems of distance and the fact that bread transported over a distance would not be sufficiently fresh. He went further to say that he had actually inquired of certain country bakers what their attitudes were and they confirmed his view. That sounded fairly reasonable until, by way of a polite interjection, I asked where these particular bakers were. They were 600 miles away! If we are going to talk about a district 600 miles away, we are talking about a completely different sort of argument, and we are talking about a different sort of industry situation.

Before the tea suspension, I brought forward the example of the Queensland experience where distances of up to 800 kilometres were apparently covered from the Brisbane metropolitan area, cutting out competition along the way. However, without positive evidence, I would not have been inclined to say that could function 600 miles away.

How many bakers will be preserved if we draw a radius of 600 miles around the metropolitan area and say they will be all right? That is not really facing up to the problem at all. The areas we have to look at are those within a very reasonable distance. How are the bakers in Collie, Northam, Bunbury, or Busselton going to face up to this? They are not going to have stale bread coming from the metropolitan area under this system.

Referring back to the Victorian experience, bread could be taken out of the oven at approximately 2.00 a.m. or 3.00 a.m. and it could reach all of those areas first thing in the morning, as fresh as the bread they are getting now. That is the position without even examining refrigeration techniques which are now quite highly developed. Indeed, they are at the stage where refrigerated bread has become quite acceptable to consumers.

The Minister for Labour and Industry had two main replies to the argument in favour of the amendment. The first was that he could understand it, but the bakers could not understand it.

The Hon. G. E. Masters: I said it was a hotchpotch which would be difficult to understand.

The Hon. J. M. BERINSON: I stand corrected. The Minister could understand it and bakers could understand it, but it might be difficult to understand! That is rather a different case. I do not think this matter would be difficult to understand. In fact, I am sure it would be understood at once, because the provision simply

reproduces in the Act the situation which, in the past, bakers have been forced to understand by virtue of the relevant industrial award under which they work. This amendment simply seeks to bring into the Act the measure which formerly applied because of the provisions in the award.

It is rather petty to suggest that the master bakers are unable to understand the award on which their industry is based. It is not confusing. It may be a hotchpotch; but it is not confusing and the bakers are at least as able as the Minister to understand it. (In fact by their past performance they have proved that they can understand it very well.

The second argument put forward by the Minister was even more unfortunate. I had invited him to respond to my assertion that all representative elements of the industry opposed this Bill by bringing to our attention any single instance of a representative group which favoured the Bill. The Minister's response to that was to claim that the Independent Bakers Association supported this Bill. The proprietors of hot bread shops throughout the State are represented by that association.

I have already referred to this matter once, but I remind members that, in his second reading speech, the Minister suggested that, in the main, this Bill reflected the wishes of the industry itself. When thinking about my reply, I searched very hard for a phrase which could describe that claim by the Minister without being offensive. The phrase I came up with was that the Minister was being less than frank. Unfortunately, instead of appreciating the courtesy and attempting to live up to the standards which my very mild criticism of him had set, the Minister has gone from bad to worse. In response to the invitation to suggest one representative group which supports this Bill, the Minister referred to the Independent Bakers Association. He said that body supports the Bill, when he must know it does not.

He must know that because he was told so this very morning; he was told that by the President of the Independent Bakers Association. In the face of that advice, to tell us that that very association actually supports his Bill was again being somewhat less than frank. The fact is that the association does not support it. The Minister has a letter dated 14 months ago—a date also extracted only by way of interjection which does not purport as a matter of fact to represent the views of the association, and is not signed by anyone with a designation indicating he is an official of the association or entitled to speak on its behalf.

The truth is, as the Minister knows, the association has only once taken a decision as to its policy on extended baking hours, and its policy is directly in line with the terms of paragraph (a) of my amendment; that is, hot bread shops have no interest at all in a total deregulation of the baking and delivery provisions of the Bread Act; they prefer the existing provisions to remain, subject only to the proviso my amendment includes, and that is an ability by the hot bread shops to bake and sell legally from their premises on Saturday mornings. I do not think I need to go beyond that point to any extent, and in particular I do not think I need to reply in detail to the Hon. Phil Pental's contribution, which was an interesting contribution in its own way to anybody interested in the retail industry and the advantages or disadvantages of Thursday night shopping.

The Hon. P. G. Pental: It is the same parallels.

The Hon. J. M. BERINSON: Oh, he is coming back and asserting that the parallels are the same.

The Hon. P. G. Pental: I do not mind your remarking about my argument, but do better than that because that is what they said.

The Hon. J. M. BERINSON: That is what they said.

The Hon. P. G. Pental: They have been proven wrong.

The Hon. J. M. BERINSON: I do not deny that is what they said.

The Hon. P. G. Pental: Right.

The Hon. J. M. BERINSON: I will not go so far as to say they have been proven wrong; I am not talking about what they said, I am talking about what the Hon. Phil Pental said, and he said the experiences with Thursday night shopping are directly comparable and analogous—

The Hon. P. G. Pental: Yes.

The Hon. J. M. BERINSON: —with the argument in which we are now involved. I was told when very young to be suspicious always of analogies, and that early lesson has been confirmed by the Hon. Phil Pental's argument. The truth is that nothing at all analogous can be found between the conditions of the retail industry and the conditions of the bread manufacturing industry.

To take the essential problem, which is the risk to country bakers arising from metropolitan bakers, we would somehow have to be convinced that it is possible for traders in the Hay Street Mall to take over the business offering in Kellerberrin because the hours of trading have been extended. No analogy and nothing comparable can be found in that. To that extent

the analogy offered by the Hon. Phil Pental is really of no value at all.

I was fascinated to hear the remarks of the Hon. Win Piesse to the effect that this Bill actually protects country bakers. If I understood her correctly that is as a result of the Bill's extension of trading hours to Sunday mornings for country bakers only. I suggest seriously to her that whatever benefit may arise from that particular extension of the rights of country bakers, will be much more than offset by the detrimental effect to country bakers arising from the unlimited ability of metropolitan bakers to bake and serve in those country districts.

The Hon. W. M. Piesse: If they bake and serve in the district, that is fine, but if they bake up here and serve in the districts down there, that is the problem.

The Hon. J. M. BERINSON: I am saying the latter will be the case; it is the ability of the metropolitan bakers to bake in the metropolitan area on an unrestricted basis and to deliver on an unrestricted basis that makes the odds in any competitive encounter between the two groups totally uneven, and carries the risk to country bakers. The Sunday morning bake and trade will be nowhere near enough to see those country bakers out of the problem.

I again urge members to take this amendment seriously. I commend it to the Chamber.

The Hon. G. E. MASTERS: I must make comments on the assertions and, if one likes, the accusations which the Hon. Joe Berinson has made. Firstly, he asked me before the tea suspension to give an example of a group of people or a person who has expressed support for what we intend to do or what we are doing. Indeed, I have a letter dated 18 February 1981 from the Independent Bakers Association in which certain comments are made strongly supporting some of the things we have done.

I will table the letter. I did not do so before the tea suspension because the letter was part of a complete file, and I am sure the Hon. Joe Berinson would not have been interested in that complete file.

The Hon. J. M. Berinson: Do you acknowledge that it is the view of the association now?

The Hon. G. E. MASTERS: I ask the member to wait.

The Hon. J. M. Berinson: Do you acknowledge that?

The Hon. G. E. MASTERS: The letter in part states—

1. The public and the majority of members would like to see the introduction of six day baking with a significant group favouring 7 day baking.

Much more information is contained in the letter, particularly relating to the people employed in the bread industry and to related matters. I will not go through the letter now.

It is true that today I met with some representatives of bakers in the metropolitan area and the President of the Independent Bakers Association. In discussions we held this morning in regard to this amendment, the president expressed concern over some aspects of the Bill. When he was directly questioned by me as to whether he opposed the baking hours, and that is what this amendment is all about, his answer was "No." I asked that question of him specifically, bearing in mind two or three other people were present, and those people were representatives of bakers.

The Hon. J. M. Berinson: Did he link that with the deliveries?

The Hon. G. E. MASTERS: No. I was dealing with one point. I asked him directly about the baking hours, the crux of the amendment.

Some confusion exists in the minds of members opposite. The Hon. Joe Berinson made statements to the effect that the larger bakers of Perth are strongly opposed to the legislation.

The Hon. J. M. Berinson: Do you dispute that?

The Hon. G. E. MASTERS: The Hon. J. M. Brown said, and the Hon. Fred McKenzie said, I think, by way of interjection, that this legislation is framed to support the large bakers. So, I wonder why it is said by some members of the Opposition that the large bakers strongly oppose the legislation, while it is said by some others that the legislation is in the favour of the large bakers.

The Hon. J. M. Berinson: The larger bakers will not be able to survive the competition from the largest bakers.

The Hon. G. E. MASTERS: The Opposition is trying to have two bob each way. It is being pressured by union members as a result of the belief that extra hours may be worked or may be needed to be worked as a result of the competition. But that competition surely will be to the benefit of the public generally.

The Hon. Fred McKenzie: You are creating a monopoly situation.

The Hon. G. E. MASTERS: The competition will be of benefit to the public generally. When the Opposition makes up its mind as to whether the legislation does or does not support the larger

bakers, we will have some understanding of whether the Opposition is or is not in total confusion.

I will not dwell on these points, but I do make the point that obviously the larger bakers want to limit trading hours because they fear the imposition of penalty rates, and obviously in some way or other want to restrict smaller operators, the people who give them competition in regard to service to the public.

The Hon. J. M. Berinson: No, they don't; they object to the extension of hot bread hours.

The Hon. G. E. MASTERS: A great need exists for the smaller businesses to have a greater degree of flexibility in their working hours. Often such businesses are family-run, or single or two-man businesses. They need the flexibility of those longer hours. They put the proposition that they cannot work certain hours—hours in which they really need to work—and not being able to work those hours is quite ridiculous. The Transport Workers' Union and the Bakers' Union are upset because a possibility exists that the arrangements they already have will change. In the interests of the public I believe strongly that we must ignore the comments of the unions and consider the greater public opinion.

The Hon. Fred McKenzie: Union bashing again.

The Hon. G. E. MASTERS: I am not union bashing.

The Hon. Fred McKenzie: Of course you are.

The Hon. G. E. MASTERS: I thank members for their comments, and with particular reference to the Hon. Margaret McAleer and the Hon. Win Piesse I am prepared to reconsider the legislation, its operation and its general effects in the metropolitan and country areas, six months from now.

An Opposition member: Too late then.

The Hon. G. E. MASTERS: Rubbish.

Amendment put and a division taken with the following result.

#### Ayes 6

Hon. J. M. Berinson  
Hon. J. M. Brown  
Hon. Garry Kelly

Hon. R. T. Leeson  
Hon. Tom McNeil  
Hon. Fred McKenzie

(Teller)

#### Noes 15

Hon. N. E. Baxter  
Hon. Tom Knight  
Hon. A. A. Lewis  
Hon. P. H. Lockyer  
Hon. G. E. Masters  
Hon. I. G. Medcalf  
Hon. N. F. Moore  
Hon. Neil Oliver

Hon. P. G. Pandal  
Hon. W. M. Piesse  
Hon. R. G. Pike  
Hon. P. H. Wells  
Hon. R. J. L. Williams  
Hon. D. J. Wordsworth  
Hon. Margaret McAleer

(Teller)

## Pairs

Ayes	Noes
Hon. Robert Hetherington	Hon. G. C. MacKinnon
Hon. Lyla Elliott	Hon. Neil McNeill
Hon. D. K. Dans	Hon. I. G. Pratt

Amendment thus negated.

The Hon. G. E. MASTERS: I refer to subclause (2) (b) which reads as follows—

in any other place in the State, at any time from one minute past midnight on the Monday morning to 12 noon on the succeeding Saturday, or from 5 a.m. to 12 noon on a Sunday.

There is some confusion over the word "or". It could mean "either, or" and the Crown Law Department has suggested that other words be substituted. I move an amendment—

Page 11, line 13—Insert after the word "Sunday" the passage "or during either or both of those periods".

This should solve the question raised by the Hon. Win Piesse.

The Hon. N. E. BAXTER: I ask the Minister why he simply does not delete the word "or" and insert the word "also". It is optional as far as bakers are concerned whether they bake from 12.01 a.m. Monday morning to 12 noon the following Saturday and also from 5.00 a.m. to 12 noon on Sunday. It seems to me that the Minister is adding a lot more words than are necessary and I cannot see why the draftsman has elected to amend this clause in this way.

The Hon. G. E. MASTERS: I suppose that the legal people with the legal minds have seen a reason to include the words that I have put forward. I know it is very difficult to follow them at times. The Crown Law Department did state that the word "or" would probably cover the situation but in order to clarify the matter it has suggested the amendment that I have moved.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 9: Hours of sale or delivery—

The Hon. J. M. BERINSON: In the Bill introduced in November 1981 the provision relating to hours of sale and delivery provided that subject to subsection (2) a person who sells or delivers bread for sale before 5.00 a.m. commits an offence. The effect of that, as I understand it, was to preclude legal deliveries of bread from midnight to 5.00 a.m. on each day.

In the present Bill the first part of clause 9, dealing with the metropolitan area, proposes that delivery should be permitted at any time between

12.01 a.m. on Monday and 12 noon on Saturday. As an introduction to other comments I may want to make on this clause, I ask the Minister the reason for this change between last November and now, and what is the virtue of the proposed situation as compared with that proposed last November?

The Hon. G. E. MASTERS: First of all one has to look at the hours permitted for baking. It is unlikely in many cases that bakers will be able to deliver at 12.01 a.m. because the bread will not be available and ready.

The Hon. J. M. Berinson: Why will the bread not be ready if the baker is entitled to bake at night, with the exception of Saturday night?

The Hon. G. E. MASTERS: I have probably misunderstood the member's question. I thought he was querying the reason for the extended hours.

The Hon. J. M. Berinson: No, I am asking the reason for the change from the provision made in November 1981.

The Hon. G. E. MASTERS: Perhaps the member could restate his question.

The Hon. J. M. BERINSON: I do not know how to clarify it further. We are faced with the situation where the Bill in its present form permits deliveries for 30 hours longer in each week. The hours from midnight till 5.00 a.m. were precluded from the hours of legal delivery under the original Bill. Those hours have now been included and I am asking the Minister the reason for the change.

The Hon. G. E. MASTERS: We could see no reason for containing those delivery hours. I felt that the hours of delivery should be extended in order to give those people who bake the bread the opportunity, if they so desire, to deliver over extended periods. It gives them the opportunity to deliver their bread in an excellent condition at times that suit them. If the bakers wish to make deliveries during those hours they may do so.

The Hon. TOM McNEIL: The point that confuses me is the situation that exists in country areas. At the present time deliveries are made on Saturday morning and the shopkeepers must take sufficient supplies to last them through the weekend. In Geraldton, the bakers have been in the habit of supplying shops that run out during the weekend—that became particularly evident with the legislation in relation to non-returnable bread. From reading this I understand that the small business clause will not have a delivery on Sundays of bread baked on Saturday morning. Therefore, I assume we are opening the doors to hot bread shops. The small shops will not have

unlimited supplies of bread over the weekend, and if the bakers are denied delivery on Sunday, the smaller businesses will be affected.

The Hon. G. E. MASTERS: The idea of this legislation is to ensure that fresh bread is made available to the public at all times, whether it be a week day or during the weekend.

If a person operates a small shop he is, under this legislation, entitled to go to his nearest hot bread shop on a Sunday and pick up bread in his own vehicle. He will not be permitted to take delivery from a baker, but there is nothing to stop him from picking up bread from a hot bread shop.

The Hon. J. M. BERINSON: In different circumstances I would have proposed an amendment to clause 9 of the Bill to preserve the status quo as it relates to current delivery hours. However, the intransigence of the Minister and the attitude of the Chamber on an earlier question indicate that that exercise would be futile and I will not proceed with it. I will content myself with just a few comments on the effect of clause 9. At one stage, in his earlier address to the Committee, the Minister pointed out that representatives of the baking industry had said to him that they were not really all that worried about the baking hours.

The Hon. G. E. Masters: The hot bread shops proprietors did, but the others certainly did not.

The Hon. J. M. BERINSON: I accept he was referring to hot bread shops but the position as I understood it is that while all sections of the industry may not have the same emphasis, the general view is that the extension of baking hours is bad enough but the real potential for harm arises from the extension of delivery hours—the proposed further extension of hours as between the Government's attitude in November 1981 and the present Bill, really pinpoints the nature of the problem which is likely to affect the country bakeries. In November 1981, although there was opposition to the proposals that were made at that time, there was not the same degree of risk to country bakeries as is represented by this Bill because deliveries could not be made before 5.00 a.m.

By way of introduction to a further comment on that matter I point out that clause 9 (3) of the Bill reads as follows—

(3) For the purposes of this section, the delivery of bread shall be taken to have commenced when the delivery vehicle leaves the place where the bread to be sold or delivered is loaded on that vehicle.

The five o'clock starting time for deliveries did give some protection for the manufacturers in the

country areas because it would indeed be difficult to reach many of those areas if one could leave a metropolitan bakery only at 5.00 a.m. Further, there is the situation that at 5 o'clock a metropolitan baker could not send his truck out, deliver in the country areas and be back in time for metropolitan deliveries. However, if one could start deliveries of freshly baked bread at 1.00 a.m. one could reach a whole range of attractive country bread markets and still be back in time to carry out metropolitan deliveries.

I would like to point out to the Minister the significance of this change. He apparently sees nothing of importance in it. As I understand his reply to the reasons for the change to the 1981 Bill, it is really just a matter of tidying it up; it seems to be neater; the clauses will look the same; everyone will be happy; no-one will suffer; and this Minister will go down in the records of the State's legislation as the sort of Minister one can rely on to bring down a neat sort of Bill. That is the way the Minister put it. I would not for a moment suggest he would want to mislead the Chamber. However, I point out that he should understand the significance of these five crucial hours—he now says he understands the significance.

The Hon. G. E. Masters: Of course I understood what I put there, and when you sit down I will talk to you about it.

The Hon. J. M. BERINSON: I will listen for that with keen anticipation. For the rest, I will simply content myself with repeating that this clause really comes to the heart of the potential problem and of the threats posed by this Bill. We are most unwise to pass it in this form. For myself, and for the Opposition, we oppose it in its entirety.

The Hon. TOM McNEIL: Country bakers may now bake at 5.00 a.m. on a Sunday if they wish, and, as I said, that is an ideal situation for the hot bread shops. The concern expressed here tonight is that we are introducing legislation which puts at some doubt the future of bakers in country areas. Under this provision we are permitting the baking of bread in country areas between 5.00 a.m. and 12 noon on a Sunday. I hope that this does not happen, because I am concerned about the viability of country businesses.

In the past the major bakers have been in a position to deal with small corner shops, and the shops have been limited as to what they buy because any unsold bread is non-returnable. It is very difficult to estimate how much bread will be sold on a Sunday. The Minister is suggesting that the owner of a small country shop can go to the

baker's premises to purchase the bread he needs. I think we must remember that many of these people work from 6.30 a.m. to 9.30 p.m., and it is not always possible for them to leave their shops to make purchases.

The situation the Minister suggested is ideal, but it means that there must be someone who can pick up the goods. In the old days the store owner would have had an opportunity to assess the mood of the population at a certain time of day and make his purchases accordingly. This will mean that if a hot bread shop opens on a Sunday, every other business in his town will be affected.

The Hon. G. E. MASTERS: I note the look of keen anticipation in the Hon. J. M. Berinson's eyes, and I will just say this: We are talking about regulation or deregulation, and about the hours of delivery. Mr Berinson's comments suggested that with a 5.00 a.m. start, the large metropolitan bakers would not be able to deliver to the more distant areas to meet the early morning market. But then in his earlier speech he said that people were finding frozen bread more acceptable these days. I imagine that he is suggesting bread may well be transported frozen in the future. The hours specified in this provision will make no difference at all to that arrangement, and if bread is to be transported in a frozen state, that can be done at any hour of the day.

The Hon. J. M. Berinson: You know that did not relate to the general part of my argument. It related to the furthest outlying district.

The Hon. G. E. MASTERS: I listened to the honourable member's remarks very carefully.

In regard to the point raised by the Hon. Tom McNeil, I would have thought that the arrangements we are now making would suit small country shops admirably. We are saying that if a hot bread shop is producing the goods that the people want to buy, a local shop can arrange to collect those goods so that it is selling a fresh product. If a shop wishes to purchase traditional wrapped bread and store it over the weekend, it can do that as well. It is a decision which the shop owner will make himself. I do not see a threat to country bakers at all. The provision will mean that the product is available at the right time and in the right condition.

Clause put and passed.

Clause 10: Re-delivery of bread, etc.—

The Hon. G. E. MASTERS: I move an amendment—

Page 12, line 30 Delete the words "into stock".

The reason for the amendment is the belief that there should not be a return or redelivery of bread. In the case of the small country shop referred to by the Hon. Tom McNeil, this will mean that if bread is delivered to a shop and it is not sold, it cannot be collected by the baker. The words "into stock" could suggest that the unused bread could be picked up if it were said that it was to be used for purposes other than being taken into stock. So we are simply saying that bread shall not be taken back at all. If the unsold bread is to be disposed of, this must be accomplished by other means. The baker will not be able to take it back at all.

The Hon. MARGARET McALEER: I welcome the amendment; it is something that the industry has sought. One of the problems the industry faced was that a baker could take bread back into stock and then credit the shopkeeper for that bread. For a long time bakers were obliged to take bread back from the large stores, and it was a losing situation for them because the bread could not be used. I understand that they did find a way to dispose of the bread, and it was no longer a loss situation.

It is believed that the deletion of the words "into stock" will protect the industry in regard to the credit extended by the bakers to the retailers. Certainly small bakers could not afford to accept a loss because of bread being returned, but larger bakers were able to do so.

The Hon. W. M. PIESSE: It was rather interesting to hear the Hon. Tom McNeil talk about the return of bread. I think this system has always been followed to some extent, but from the inquiries I made about bread delivered from the metropolitan area to country supermarkets and grocery stores, I discovered that if a supermarket in a country area overpurchased bread, it was not able to be returned. As the honourable member said, this system must have applied only to large centres.

When a large metropolitan baker delivers to small country districts, the shopkeepers must accept the loss for any bread they do not sell. This has caused them to be rather circumspect in regard to their bread orders. This is of benefit to them and also to their customers.

The Hon. TOM McNEIL: I would like to clarify a point. The practice in country areas was always that the baker would take back unsold loaves and credit the shopkeeper's account. Also, the large stores receive massive discounts in regard to bread from the metropolitan area, and therefore, they can well stand the loss. I understand that in the country areas the shop

owners will incur a loss in respect of bread left on the shelves.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 11 and 12 put and passed.

Clause 13: Delivery vehicles—

The Hon. MARGARET McALEER: I would like to ask the Minister to clarify a point for me. If a small country baker trades mostly through his shop in the town, but arranges for bread to be delivered by the mail van or the school bus to outlying farms, will he be affected in any way by this clause?

The Hon. G. E. Masters: No.

Clause put and passed.

Clauses 14 to 19 put and passed.

Title put and passed.

#### *Report*

Bill reported, with amendments, and the report adopted.

### **COMPANIES (ADMINISTRATION) BILL**

#### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Attorney General), read a first time.

#### *Second Reading*

**THE HON. I. G. MEDCALF** (Metropolitan—Attorney General) [8.45 p.m.]: I move—

That the Bill be now read a second time.

This Bill is one of two Bills forming the final part of the legislative package required to be enacted by this State in accordance with the agreement made on 22 December 1978, between the Commonwealth and the States for co-operative companies and securities regulation.

Members will recall that when introducing previous Acts, which related to legislation forming part of the national companies and securities co-operative scheme, the obligations of this State under the agreement were described in detail. It was also explained that the ministerial council, an executive body established under the agreement, is responsible for the formulation and operation of the uniform companies and securities laws provided for under the agreement and exercises general control over the implementation and operation of the scheme.

The substantive companies and securities laws have been introduced in two packages. The first package, comprising laws regulating the securities

industry, company takeovers and matters relating to the general interpretation of the scheme legislation and other technical matters, came into operation in all States and the Australian Capital Territory on 1 July last year.

The second package comprises laws relating to the regulation of companies. The Companies (Administration) Bill which we now have before us forms part of this package and with the Companies (Consequential Amendments) Bill will complete the legislative package required to give full effect to the co-operative scheme.

Members will be aware that the National Companies and Securities Commission is responsible for the overall administration of the scheme legislation. However, it is required to have regard to the need to decentralise its administrative activities to the maximum extent practicable. Most of the powers and functions exercised by the National Companies and Securities Commission under Western Australian companies and securities laws will be, or have been, delegated to the Western Australian Commissioner for Corporate Affairs.

The Companies (Administration) Bill makes provision for the administration of the Corporate Affairs Office. It also provides for the continuation of the office of Commissioner for Corporate Affairs who is appointed and holds office in accordance with the Public Service Act 1981.

The Companies (Administration) Bill also establishes in this State a companies auditors' and liquidators' disciplinary board which will perform the disciplinary functions previously exercised by the Companies Auditors' Board. The Act makes provision for the members of the previously constituted Companies Auditors' Board to be the members of the companies auditors' and liquidators' board.

The National Companies and Securities Commission will become the body responsible for the registration of auditors and liquidators upon the proclamation of the Companies (Application of Laws) Act.

This Bill also provides for the payment out of the Consolidated Revenue Fund of such amounts as are necessary to give effect to any agreement between the parties to the scheme and which relate to the apportionment of fees or payments with respect to refunds of fees specified therein.

All of the provisions to which I have referred are necessary as the relevant sections of the Companies Act 1961-1980 which currently provide for these matters will be repealed when

the Companies (Application of Laws) Act 1981 comes into operation on 1 July this year.

The Bill now before the House has been approved by the Ministerial Council for companies and securities for introduction into the Western Australian Parliament. Similar legislation with appropriate adaptation has been approved for introduction in each of the other five State Parliaments.

I commend the Bill to the House.

**THE HON. J. M. BERINSON** (North-East Metropolitan) [8.48 p.m.]: The Opposition has previously indicated its support for the uniform companies and securities legislation. In keeping with that, we have supported earlier substantive provisions, and we support this Bill and the one to follow, which as the Attorney General indicated represent the final part of the necessary legislative package.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. I. G. Medcalf (Attorney General), and passed.

### **COMPANIES (CONSEQUENTIAL AMENDMENTS) BILL**

*Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Attorney General), read a first time.

*Second Reading*

**THE HON. I. G. MEDCALF** (Metropolitan Attorney General) [8.52 p.m.]: I move

That the Bill be now read a second time.

The Companies (Consequential Amendments) Bill is the final Bill forming the legislative package required to be enacted by this State to give effect to the formal agreement relating to co-operative companies and securities regulations.

When presenting the Companies (Administration) Bill, members were informed as to the situation relating to other Acts which form part of the scheme legislation. This Bill makes amendments of a technical and interpretative nature to the co-operative scheme Acts and of an interpretative nature to a large number of Acts of

the State. Specific amendments to Acts of the State other than those which directly relate to the co-operative scheme are set out in the schedule to the Bill.

The principal effect of the Bill is that reference to existing company legislation will be updated to refer to scheme legislation. Amendments made do not make any change to approved Government policy.

This Bill has been approved by the Ministerial Council for introduction into the Western Australian Parliament. Consequential amendment Bills have been approved for introduction into each of the other five State Parliaments. Each State Bill has like effect in that jurisdiction.

I commend the Bill to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. I. G. Medcalf (Attorney General), and passed.

### **LOCAL GOVERNMENT AMENDMENT BILL**

*Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. R. G. Pike (Chief Secretary), read a first time.

*Second Reading*

**THE HON. R. G. PIKE** (North Metropolitan Chief Secretary) [8.56 p.m.]: I move

That the Bill be now read a second time.

The Bill proposes to include important provisions in the Local Government Act relating to street traders.

These provisions will confer clear powers on councils to make by-laws to regulate the activities of persons who wish to display and sell goods in the streets other than at a stall. The power to control stalls already is in the Act. Local authorities will be given power also to impound the goods of those who unlawfully engage in street trading.

It is emphasised that in preparing this Bill, the Government has been mindful of the views not only of those who would advocate a total prohibition on the use of streets for commercial activities, but also those who believe that street

traders serve the public interest or add colour to our city streets.

As already mentioned, there is power in the Act for a council to control the establishment of stalls in streets. Consequently, there would be little argument that there should be a similar power also for the control of other forms of street trading. Obviously, there must be some limit on the extent to which people can set up their goods and wares on the streets.

Similarly, it is not considered that there would be any strong argument with the principle that the prime purpose of streets ought always to be to allow the public to move from place to place without obstruction. Whatever advocacy there may be for trading in streets, the line clearly must be drawn somewhere. The Perth City Council has been anxious to ensure that the street trading phenomenon that has come to the fore in recent years, particularly during the Christmas season, does not get out of hand.

Although there is already some power in the Local Government Act to control street trading, it has been found inadequate, particularly in relation to a council's ability to move quickly to clear any goods which were being displayed in the street without authority.

The Bill has been drafted quite purposely so that a council will not be able to prohibit completely the activities of street traders. They may be required to obtain a licence and their activities may be regulated. Under the existing provisions of the Local Government Act, any person who is refused a licence has the right of appeal to the court.

The inclusion of a power for council to seize unauthorised goods in a street also has been given careful attention. Although council officers will be able to impound these goods, they will have to be returned to the owner unless the court orders their confiscation. That confiscation can be ordered only if the person concerned is convicted of unlawful street trading. The Government has endeavoured to accommodate the interests of all concerned.

The Bill will also confer power on a council to prescribe charges, in addition to licence fees, for the right to trade in a street.

Provision is made in the Bill for the repeal of the present provisions of the Local Government Act covering the calling of council tenders and the inclusion of a power to make regulations setting down procedures for the calling and consideration of these tenders. This will allow regulations to be made which will be in keeping with modern commercial practices and which will contain the

sorts of controls that are appropriate to the expenditure of public funds.

The Bill seeks also to resolve a difficulty that came to light recently when the City of Perth found, on legal advice, that it was unable to approve certain building developments which, although they were capable of being approved under the council's zoning by-laws, did not conform entirely with the requirements of the uniform building by-laws. These conflicting provisions related, in the main, to siting requirements which are strictly the province of zoning by-laws and town planning schemes but which are also covered in the uniform building by-laws.

Finally, the Bill provides for an increase in the maximum permitted minimum rate which a council may impose on a ratable property. At present a council may impose a minimum rate of not greater than \$40 on any property which would otherwise, because of its very low valuation, be assessed for some lesser amount.

The minimum rate was \$10 when the Act came into being in 1960. This was increased to \$20 in 1972 and to \$40 in 1978. The present \$40 limit is no longer realistic in the light of present-day values and the Bill provides for a new limit of \$75.

There is, of course, currently a power in the Act for a council, when imposing a minimum rate, to differentiate between a ward of its district or a portion of a ward, by imposing a higher or lower minimum in respect of that ward or that portion, and it is intended that this provision remain.

I commend the Bill to the House.

**THE HON. J. M. BROWN** (South-East) [9.01 p.m.]: I see no reason that this Bill should not be supported. The Minister has explained the necessity for clarity in this area, as it affects not only the Perth City Council but also other shires. The Bill will give a additional power to local authorities in this area and at the same time it provides safeguards to street traders. The right of an appeal by street traders to a court is recognised by us as being sensible, and it removes the fear that Big Brother is controlling them. The Minister is commended for this.

The Bill provides for the imposition of prescribed charges in addition to licence fees before people can trade in the street. This is consequential upon the street trader conducting himself in accordance with the provisions of the Act.

There is provision also to lay down procedures for the calling of tenders. This will bring the

shires in line with commercial practice and the controls necessary for the expenditure of public funds.

A further provision allows the Perth City Council to regulate approvals given under its zoning by-laws which may conflict with siting requirements, which are strictly the province of zoning by-laws and town planning schemes.

A rather important provision contained in the Bill is the one that relates to the lifting of the minimum rate from \$40 to \$75. In local government circles this has been quite a contentious subject for numerous reasons. There has been a great urging from local authorities for the figure to be increased to \$150. However, the Minister has seen fit to increase the amount to \$75, and we do not oppose this.

There is a strong need to give councils a greater say in the imposition of rates in their areas because of the inadequacies and limits imposed by the valuations of the Valuer General. This amendment goes some way to meet the shires' requests. We support the Bill.

**THE HON. W. M. PIESSE** (Lower Central) [9.05 p.m.]: I support the Bill, but there are a couple of comments I wish to make and a question I wish to ask.

As the Hon. Jim Brown said, very largely this Bill relates to the Perth City Council and a problem it has in the city streets. In his second reading speech the Minister indicated that the street traders "add colour to our city streets". It is well to note very carefully that the onus of allowing street vendors to operate will rest with the local authority concerned.

Street vending has been a vexatious question for some time, but it has to be remembered that if it were not for the street vendors of certain commodities in small country areas, the people in those country towns would not have those commodities available to them. One item that springs to mind is fresh fish. In most country towns people can buy frozen fish, but to most people this is tasteless. If it is possible to have a vendor collect fish from the fish markets and travel all those miles into the country to sell fresh fish in the streets, the country people appreciate this. I do not want to see such vendors put to any great disadvantage. In the case of vendors selling goods which are already available in a town, such a consideration is not so important. Local government will have to take the rap if there is any preclusion from street vendors of goods that the local residents desire to see.

A further provision provides for the confiscation of goods if the street vendor does not

submit to a direction given to him. Following the confiscation of his goods, they may later be returned to him if he is not convicted of unlawful street trading. But what will be the situation if the items confiscated are perishables? By the time the case comes up before the courts the goods will be useless. I ask the Minister: Who pays then?

A third matter I wish to raise relates to the raising of the level of the minimum rate and the power local authorities will have in setting a maximum permitted minimum rate. It is true that some shires are in bother in keeping up their revenue and they do need to have this maximum permitted minimum rate raised to perhaps \$150. Many shires have not yet imposed the maximum limit because they have been labouring under the assumption that to strike a maximum permitted minimum rate they must impose that rate on all blocks of land that do not reach the minimum rate figure.

The Minister has highlighted a fact of which a number of shires in my area were not aware, which is that they can impose a variation of the minimum rate. It is very important that they should realise this. This will give them a leeway to impose a maximum of \$75 in some areas, and in other areas, where they do not believe that rate should be applied to the land in question, they can strike a lower minimum rate. In these days of inflation there are areas where a dwelling exists on a town lot, requiring all the services available, but the valuation of the lot does not come up to the value which would require the people to pay any more than the minimum rate. Shires in this situation have been badly disadvantaged with the present 'maximum permitted minimum' rate of \$40.

I support the Bill.

Debate adjourned, on motion by the Hon. A. A. Lewis.

## LIQUOR AMENDMENT BILL (No. 2)

### *Second Reading*

Debate resumed from 28 April.

**THE HON. J. M. BROWN** (South-East) [9.11 p.m.]: Members will remember that last year an amendment to the Liquor Act was introduced following a comprehensive investigation of the liquor industry which I believe was inspired by a committee of inquiry appointed by the Government which included members of the liquor branch, the Licensing Court, and the Chief Secretary's Department. I think all sections of the industry were contacted and the amendments were well canvassed throughout the length and breadth of the State. Everyone

associated with the industry and every member of Parliament had an opportunity to hear various views and to put forward his own point of view. It is my understanding that all this was carried out on non-party lines.

In respect of this Bill to amend the Liquor Act, I believe insufficient time has been given for us to consult with members of the industry. I know there is a rush to get legislation through, but it must be remembered that the industry plays an important part in the affairs of the State. It has a tremendous part to play in respect of employment and revenue to the State. We are therefore concerned that this speed has meant that insufficient opportunity has been given for representatives of the industry to consider what may be shortcomings in the Bill. I must point out, however, that we believe the amendments are in conformity with the best operations of the industry. Nonetheless the industry is entitled to make a contribution to this Bill. I refer in particular to the Australian Hotels Association. All members will appreciate that this association has a very important part to play in the industry.

Be that as it may, we recognise the importance of the main amendments contained in the Bill. I will go through them as they appear in the Bill and not necessarily in order of priority.

The Chief Secretary will be pleased to know that the Leader of the Opposition in another place is quite happy to withdraw the Bill he presented there in favour of the expanded Bill that has been presented here.

The Hon. R. G. Pike: Thank you.

The Hon. J. M. BROWN: In matters of such public importance, there should be further time for deliberation. Clause 3 of the Bill redefines the bar area in licensed hotels. I saw an announcement made by the Chief Secretary not long after he took office, when he said that the bar area of licensed clubs would be reviewed. The law enforcement authorities recognised the shortcomings of the Act and considered the requirements of the members of those organisations, and they acted accordingly. All that is happening here is that we are righting a wrong that should not have been introduced in the first place. It is surprising that it was introduced without the consideration of all sections of the industry. It was missed by all sections of the community and it was not until an in-depth study was made of this matter that the shortcomings of section 7 were realised. The amendment to section 7 of the principal Act to redefine the bar areas and their operation is certainly appreciated in all

licensed clubs. This rights a wrong which has been tolerated.

The amendment in Clause 6 enables the granting of entertainment permits under new section 24A. New section 58A is introduced to provide for application procedures in respect of the granting of entertainment licences. An additional new section 58B nominates the people who may object to the granting of an entertainment permit. This tidies up a matter that should have been attended to when we instituted our investigations.

Clause 9 amends section 35 of the Act and relates to visitors. In another place, the member for Welshpool quite clearly demonstrated the shortcomings of the proposal to restrict the entrance of visitors in such a way that it would be impossible for them to enjoy the facilities of the licensed clubs. He thought there would be repercussions. Whilst his proposition was not agreed to at that time, it finally has come home to us that the member for Welshpool was certainly correct in his appraisal of the situation. Some members on this side of the House had discussions with the member for Welshpool and agreed with his contention that the provision would certainly disadvantage country clubs. The amendment has not been brought in because it may disadvantage country clubs, but because it may disadvantage metropolitan clubs which were able forcibly and correctly to point out the shortcomings to the Minister. These problems would continue to be faced if the Act were not amended in relation to visitors.

The Minister in his second reading speech referred to the problem in relation to section 35 faced by sporting clubs, principally football clubs, which had large crowds attending their bar facilities on match days. I can see the reason for them requiring the patronage and the additional revenue to conduct their activities within the football arena and to meet their expenses. There is a clash here between the football clubs, other licensed clubs, and the AHA in relation to who is entitled to a rightful share. The situation occurs only in the winter months and it has occurred in the past. If the right to take in visitors is removed, the patrons would be disadvantaged. The amendment is appropriate and should be supported.

There was strong opposition from the Australian Hotels Association to the easing of the requirements in respect of visitors. Whilst there has been an easing in relation to the original situation, the AHA is very mindful that it is not to the benefit of the industry it represents.

Clause 14 is really only a machinery provision to amend section 75 of the principal Act, and it tidies up the matter of the expiry date for prescribed licences.

As far as the Bill is concerned, the amendments are satisfactory to us. I reiterate that when we are considering such a Bill it is fair to have sufficient time to consult with industry and hear its points of view, rather than look at things in retrospect. We should do it now. If we recognise that the appropriate provisions of the Act came into being only on 23 November 1981 and we are now bringing in amendments, we realise that more attention should be given to time limits.

With those comments, we support the second reading of the Liquor Bill.

**THE HON. P. G. PENDAL** (South-East Metropolitan) [9.23 p.m.]: I will make a brief contribution. At the outset, I extend my thanks and congratulations to the Chief Secretary for including in this amending Bill the subject of an urgency motion that members may recall I moved in the House late last year. I refer to what will become part of section 58 of the amended Act, particularly that amendment which in the future will give the State Licensing Court the opportunity to allow people living near a hotel who feel aggrieved by the behaviour of people attending that hotel, the right to appear before that court and have their objections heard. As I understand it, this was a facility that was thought to exist in the Act last year.

A case came to point in which some residents of the South Perth area, at the invitation of the court, appeared on a certain day to give evidence as to why the licence either ought not be granted or why it should have certain conditions applying to it. It was found at that time that while the court offered that facility in good faith, in fact it did not have the power to invite those people to appear before it.

There is one small point that I have just noticed and I would be grateful if the Minister could give some brief explanation of it in his response. In his second reading speech he referred to the fact that this amendment would give the court a discretionary power to hear aggrieved persons' objections. My reading of the proposed amendment to section 58 suggests that that is in fact more than a discretionary power on the part of the court and it is something that gives aggrieved persons an outright right to have their objections heard by the court. In the long term, it does not really matter, although certainly I would feel happier with the Bill if it means that the person has an absolute right to be heard in the

circumstances that I have outlined rather than there being just a discretionary power such as the Minister referred to in his second reading speech.

The problem of noise is a most serious one and it has been canvassed in this Chamber on many occasions. My intended contribution to the second reading became redundant between the Minister's speech last Thursday and the resumption of the debate tonight because I noticed that Cabinet announced as late as last night that extensive amendments will be made to the Noise Abatement Act, and that is a matter which really runs parallel to the problem we are discussing in relation to this amendment to the Liquor Act.

I therefore want to place on record my commendation of the Government and to say I particularly welcome not only this amendment, but also what amounts to a tandem amendment to another Act which together will achieve a lot more privacy for the ordinary householder in Western Australia. There would not be many people who dispute that noise emanating from public houses of this kind has almost become one of the great social evils of today. In my province I am frequently inundated by complaints from residents who are getting a little fed up with the whole set-up. Fortunately, much of that will now be reversed and perhaps for the first time in many, many years ordinary people in Western Australia will be on a footing at least equal to some of the huge liquor barns whose activities have led to an invasion of privacy of the residential sector throughout the metropolitan area and possibly throughout country areas as well. It is a matter which has caused a lot of distress to many people. This amendment in the field of protecting people's privacy, although perhaps on first reading it seems a fairly innocuous one, is the most important to come before this House in a long time.

For that reason, and in the knowledge that the Government is now to introduce a tandem amendment to the Noise Abatement Act, not only do I support the Bill, but I support it enthusiastically.

**THE HON. A. A. LEWIS** (Lower Central) [9.30 p.m.]: I rise, not because of any great knowledge of the Bill, or any great worry about what it will do, to speak on behalf of the Australian Hotels Association. I suggest to the Chief Secretary that in a town that he knows well, the definition of "visitor" and the fact that other clubs could be affected detrimentally if this legislation were to be policed too leniently, are causing problems.

For instance, on a normal football day, the hotels in Collie could probably close. If this provision is passed, and if it is interpreted too freely, the odd customer who would have gone to other clubs will drink at his home club. One wonders whether some system of team nomination of membership or club nomination of membership should be instituted. The club could name the persons allowed to drink as visitors or competitors, rather than the group of supporters being called "members of the other club", or "competitors from the other club". I do not oppose the amendment; but I make this suggestion to the Chief Secretary. I am worried that we might be bending over backwards for the clubs and affecting the hotels which have been the backbone of the liquor industry for many years.

At present, especially in country areas, the hotels are in dire straits. Price rises have not been denied to them, but they have not been applied to them. Members will recall the time not very long ago when beer in Western Australia allegedly cost 10c a glass more than beer in New South Wales. At present, our price almost corresponds to the New South Wales price. This is because the Australian Hotels Association has not put up its prices.

We may find a lot of hoteliers will fall into financial trouble if something is not done about this problem. That will be the case if we make business far too easy for the clubs. That is all I would like to say on that subject.

I move now to the definition of "bar". I urge the Chief Secretary to talk to his colleague, the Minister for Recreation, and tell that gentleman that he should go to the Department for Youth, Sport and Recreation which he administers and tell the officers that it might be a good idea to look at this definition. Then they could allow money to go into community clubs in country areas and not hold it back because a bar is associated with a club that is a golf club, football club, and a tennis club, all combined, because the people want to put their money sensibly into one building, and provide the facilities in that building. If the Chief Secretary talked to the Minister for Recreation on that matter, he would obtain a solution very quickly; and I, for one, would be very pleased.

**THE HON. N. E. BAXTER** (Central) [9.35 p.m.]: I support this Bill, but I have a query I would like to raise. This is in regard to the clause dealing with clubs that have as their object or principal object the conduct of a prescribed competitive sport. In his second reading speech in relation to this aspect, the Chief Secretary said—

The Association of Licensed Clubs had requested that certain indoor sports be added to the regulation. The following sports are additional to those previously prescribed—

Badminton  
Cricket, including indoor cricket  
Hockey  
Squash  
Tennis, including half court  
All sports played with bowls  
All games played on a billiard or similar table  
Darts

I wonder why the last two categories are included. In most of the clubs I have been in, the billiard and pool tables and dart boards have been subsidiary to the club. They are not in any way part of the objects of the club; the clubs were not formed for the purpose of playing darts, or playing billiards or pool.

It is stretching the matter a little too far to say that persons can attend these clubs without having their names entered in the guest book if they go there to play darts or billiards. I am not saying they should not go to the clubs but the provision leaves it open to practically anybody to go into a club. Anybody who is not a paid-up member could go into a club and drink there, just by playing a game of pool, a game of billiards, or a game or two of darts.

This has left the situation wide open to abuse by people who do not pay a member's subscription, but who use the club for drinking purposes just by going and playing these games. One can understand badminton at least; we have cricket clubs which have licences; but when one reads about these two categories, one wonders why they are included. I cannot see that the object or the principal object of a club could be the playing of those games.

The provisions in the rest of the Bill seem fairly reasonable. The definition of "bar", the obligation to have an entertainment permit, and the objections to entertainment permits cover the situation fairly well. I have no objection to any of those clauses. However, I would like the Chief Secretary to explain the part which deals with those types of entertainment I mentioned; in other words, billiards, pool, or darts.

**THE HON. R. G. PIKE** (North Metropolitan—Chief Secretary) [9.37 p.m.]: To answer the last speaker first, these prescribed sports were determined prior to my becoming the Chief Secretary, so I do not have an in-depth, retrospective knowledge of the reasons for their

inclusion. However, I do have speech notes, and I can inform the member from them.

The Hon. N. F. Moore: Talk to the Minister for Recreation!

The Hon. R. G. PIKE: In relation to the right of club members to visit another club on a competitive basis, it was argued that the people in these cases would have to be financial members of a billiards club, a darts club, an indoor bowls club, or an outdoor bowls club, as the case may be. Therefore, the position is not quite as the member suggests. That really comes back to the point made by the Hon. Sandy Lewis, that they must be financial members of clubs in their own right. They cannot go willy-nilly into a club.

I agree with the comments made by the Hon. Sandy Lewis, and I will pass now to them. He spoke about the difficulty in policing proposed new section 35(3) and, indeed, the policing of the whole of the section. That is manifested by the fact that the Police Department recommended in the first place that the original provision should be removed. That is why the committee inquiring into the matter recommended on that basis. So, this is a Catch 22 situation, if one likes.

The Hon. J. M. Brown: Was not that mainly for the hotels?

The Hon. R. G. PIKE: It was for the hotels, but it was also for the clubs. As I understand it, the AHA indicated its point of view.

I take cognisance of the call by the Hon. Sandy Lewis in relation to funding by the Department of Youth, Sport and Recreation—my left hand, if I can call it that, much as I dislike referring to any designation as “left”. My other portfolio is my right hand. I am already having a look at this matter because, willy-nilly, at present the clubs have an independent source of income by way of a licensed bar. This is something that the Hon. Sandy Lewis could consider as his Select Committee pursues its inquiries.

The Hon. Sandy Lewis mentioned the AHA and the policing of these provisions. As Chief Secretary, I am cognisant of this; but it is really a question for the Minister for Police and Prisons, rather than the Chief Secretary. The general understanding is that if people pay \$3 or \$4 to enter a football ground, for instance, they would not normally travel from the Collie football club ground to a hotel which is X kilometres distant, as the case may be. They stay at the club at which the game has been played. It is a problem, and I cannot see that it has an immediate solution.

The Hon. Phil Pandal dealt with proposed new section 58B(1)(d), which gives the right to a person residing in the district to object to a

permit. It is provided that the person who is aggrieved, who wants to object and forgets to do so, may lodge his objection, anyway. In a subsequent clause, to which the honourable member made reference, we have put in a double-banger provision so that he has the right in the first place to object; and if he does not get around to it, the court has the right to call him, anyway. I thank the honourable member for his comments in regard to the quick action by the Government in implementing his request.

I pass on to the points made by the Hon. Jim Brown. I thank him for his indication of co-operation and support. I thank the Leader of the Opposition in another place for his declaration that our amendment dealing with prescribed sports, which is the point raised by the Hon. Norman Baxter, is a relevant one. I can understand the Hon. Norman Baxter's concern about the last categories, but apparently firm representations that they be included were made at the time.

I thank the Hon. J. M. Brown for his comments. I take his point about the time factor, but I remind him that it is one day less than a week since the second reading speech was delivered, and in that time I have consulted with the Association of Licensed Clubs of Western Australia, and also with the Australian Hotels Association, in order to give them time to look at the Bill. Indeed, the AHA contacted me last Sunday night in regard to the Bill. The person concerned said that, generally, the association was in accord with it, but it was concerned about the introduction of a permit requirement.

The AHA said that it thought that provision seemed to be excessively regulatory, but there really is no way to overcome it. We extended the period from 14 days to 28 days to give the residents a time slot within which to object.

I thank members for their constructive comments on the Bill, and I commend it to the House.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by the Hon. R. G. Pike (Chief Secretary), and transmitted to the Assembly.

## LAND TAX ASSESSMENT AMENDMENT BILL

### *Second Reading*

Debate resumed from 29 April.

**THE HON. W. M. PIESSE** (Lower Central) [9.46 p.m.]: I support this legislation, but I am rather puzzled about a couple of aspects of it and I wonder if the Minister is able to provide some answers.

I am in favour of anything which will promote the planting and nurturing of trees in this State. Few people today would not realise the great value of trees.

I am puzzled about the fact that 100 hectares—I believe that is approximately 250 acres—of land within a metropolitan or townsite area could be planted with trees. Could the Minister indicate where we might find such plantations?

My second query relates to the situation which would pertain should such a forest be cleared. Certainly the forest would have to exist for 30 years before the person could collect any income from it, but if the forest were burnt down or destroyed how would it be ascertained that the person owning the land should pay tax on it? Are such matters left entirely to the discretion of the owner of the land or is there some means by which the department may check up on what has happened to the land? Is the onus left entirely with the owner or does the department have some means of ascertaining the true position?

**THE HON. I. G. MEDCALF** (Metropolitan—Leader of the House) [9.48 p.m.]: I thank members who have indicated their support for the Bill. I wish to make some comments and answer the remarks made by the Hon. David Wordsworth during the course of his speech on the Bill last Thursday. In particular, I appreciate the remarks he made, as a former Minister for Forests, concerning the history of the forestry business in this State and I would like to comment briefly on some of the issues he raised.

However, before doing so, I consider it necessary to reiterate certain parts of my second reading speech wherein I said—

At present, the Land Tax Assessment Act provides an exemption, under certain conditions, for most types of primary producing businesses with the exception of forestry businesses.

...there is no real justification for a forestry enterprise to be treated any differently from that of any other primary producing business.

As stated already, exemption from tax for land used for primary producing purposes is only allowed provided the taxpayer meets certain conditions. These are—

where the land is located within the metropolitan region or within the boundary of a country town planning scheme and is zoned other than rural, it must be used solely or principally for that business;

the person using the land is to be the owner; and

the owner is to derive in excess of one-third of his total net income from the business.

I have repeated these words to emphasise the fact that the intention of the Bill is to treat owners of forestry land in exactly the same manner as all other owners of primary producing land.

It should be understood clearly that I am referring only to primary producers within the metropolitan region or within the boundary of a country town planning scheme. They are the only ones who are affected by the restrictions to which the Hon. David Wordsworth referred. All other primary producers, farmers, or citizens outside the metropolitan region or a country town planning scheme do not have to comply with those very strict requirements; so in that regard there is a very great alleviation of the land tax position of the majority of people who might be engaged in forestry. Forestry land outside those narrow areas is not subject to land tax.

Again I quote from my second reading speech as follows—

... the income test, was specifically included in the Act some years ago to ensure that the concession would apply only to landowners in the metropolitan region or a country town planning scheme area who were genuine primary producers and at the same time, to make certain that the provisions of the Act could not be used as a means of avoiding lawful payment of the tax.

These passages are worthy of repeating as they constitute the main elements of the Bill.

These quotations do, I hope, clearly explain that forestry owners, up to this point in time, have been treated differently under the Act, when compared with other primary producers and that Government wanted to remedy the matter.

Although the member has stated, "It is remarkable that it has taken as long as it has for the big producers in this State to be put on an equitable footing with other agricultural

producers". I can assure him that as soon as it was brought to our attention we set the wheels in motion.

Bearing in mind the fact that it was the intention to place forestry owners on the same footing as other primary producers, then naturally, of course, the same conditions of entitlement, being—

the sole or principal use of the land;

the owner had to be the user; and

the income test.

also had to have equal application if all primary producers were to be treated in a like manner.

As previously stated, it was realised that the income test would seldom be appropriate for forestry owners and, therefore, the need existed for a reasonable alternative—which is to be the area of requirement. It is agreed that an income test is not always a satisfactory basis for qualifying for an exemption or an entitlement.

However, when amending the legislation in 1976, the income test was the only acceptable basis for primary producers in the metropolitan region which would allow all genuine situations to receive an exemption and at the same time, ensure that all other taxpayers would be liable for the tax.

I did briefly mention in my second reading speech that the Commissioner of State Taxation has a discretionary power which allows him to exempt from tax any genuine primary producer who does not or cannot meet the income test.

Admittedly each case must be judged on its individual merits, but I am advised by the Commissioner of State Taxation that a considerable number of applications for exemption have been approved over the years.

Should the application be disallowed, the taxpayer then has the right of appeal to the Treasurer.

Another item the member queried was the definition of "solely or principally". In this case, I am advised by the Commissioner of State Taxation that the definition is meant to imply that the land is used mainly for that particular purpose. It could well be that a taxpayer operates two businesses from the same land, one of which is not a primary production business. However, the taxpayer would not be denied exemption if his primary production business was the principal business conducted on the land.

At one stage the member referred to section 23 of the present Act and quoted two of the conditions relating to the forestry rebate of 50 per cent. These were the use of the land for that

purpose and a 40 per cent stocking rate. However, other conditions are listed in the section, the most important of which is that there had to be a total area of at least 400 hectares before any rebate could apply. The proposed amendment will reduce this figure to 100 hectares.

In his comments to the Bill, the member questioned how the present section 23 of the Act, which is to be repealed, worked. I am advised that the taxpayer merely submitted an application to the Commissioner of State Taxation, supported by the required certificate from the Conservator of Forests, and if it complied with the provisions of the section, the application would be approved.

Finally, a comparison was made to a section in the Forests Act which stated that if four hectares of land were planted to trees, the value of the land would not be affected for local government rating purposes.

With due respect to the member, I cannot arrive at the same conclusion that an area of four hectares for that particular purpose only, constitutes an economic forest for that or any other purpose.

In any event, the proposal in this Bill is purely and simply to place forest owners on exactly the same footing as all other primary producers and, consequently, they must have regard to the same conditions that apply to those other primary producers.

However, in this particular case, because of necessity, an alternative to the income test had to be included, which is to be an area requirement.

I shall attempt now to answer the questions raised by the Hon. Win Piesse. The first question she asked was: Where do we find the areas of 250 acres or 100 hectares within the metropolitan region or country townships? I would not like to say, I do not believe there would be very many of these areas, particularly within a country township. There may be some land of sufficient area within the metropolitan region, but whether it would be suitable for forestry is another matter entirely.

The Hon. N. E. Baxter interjected.

The Hon. I. G. MEDCALF: The Forests Department was responsible for working out the area of 100 hectares as being an economic unit and it was based on typical conditions in Western Australia with fairly light, sandy soil where it was necessary to use some kind of pine trees. The area was worked out on reasonably good grounds by people whose business this is, but on making that inquiry of them, I received a rather negative response as to the likelihood of there being many of these areas in the metropolitan region.

The honourable member touched upon a difficult matter when she asked what would happen if the pine plantation were burnt down or destroyed, because it is 30 years before any income is earned from it. I have often wondered about that matter myself, not in relation to forestry, but in regard to primary producers. I refer to claims for tax exemption on the ground of one-third of the primary producer's income being derived from the particular land. I have often wondered whether an annual check is carried out into that matter. I am not aware that any specific annual return must be submitted, unless there is a change in ownership, but I daresay the Commissioner of State Taxation, as he counts the dollars every year, is not likely to let anyone get away with it if he believes a change in income has occurred. Now that we are putting forestry properties on the same basis as primary producing properties, the same situation will apply.

Perhaps we should not ask too many questions about that. I thank members for their support, and trust my comments have clarified the intention of the legislation.

Question put and passed.

Bill read a second time.

#### *In Committee, etc.*

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

#### *Third Reading*

Bill read a third time, on motion by the Hon. I. G. Medealf (Leader of the House), and passed.

### **GOVERNMENT RAILWAYS AMENDMENT BILL**

#### *Second Reading*

Debate resumed from 29 April.

**THE HON. FRED McKENZIE** (East Metropolitan) [10.03 p.m.]: The Opposition opposes this Bill, although not so much as a result of the principle of the joint venture, but as a result of the reasons that brought about this change. To consider those reasons one must compare the transport policy of the Government with the policy of the Opposition, and that comparison indicates those policies are entirely different.

The Hon. G. E. Masters: You mean you would be losing more money?

The Hon. FRED McKENZIE: Consumers will pay more as a result of the Government's policy, and the reason is that the Government has chosen

to ignore the recommendations of the Southern Western Australia Transport Study. The Government selected certain parts of the report, and in doing so excluded public sector competition with the private sector in the conveyance of goods, particularly small lots suitable for cartage on roads by the public sector.

The Hon. G. E. Masters: We have excluded the public sector from smalls transport?

The Hon. FRED McKENZIE: The Government has excluded the public enterprise system from competing with the private enterprise sector, and I will explain how it has done that. The Government, by way of its current transport policy as introduced on 14 April 1980, made licences available for the transport by road of all goods with the exception of freezer-chiller goods up to a maximum load of nine tonnes in areas 150 kilometres from Perth, and 100 kilometres from Bunbury, Esperance, Geraldton, and Kalgoorlie. On 13 April 1981 the 9 tonne limit was lifted on all goods in those areas except grain, bulk ore, fertiliser, and timber. That is briefly the history of the Government's policy. We have had before us an amendment to the Transport Act which provided for those changes, and that was dealt with in December 1979.

I will refer to some of the recommendations in the SWATS report in respect of the suggested change in transport policy. At page 18 of the report recommendations based on Canadian experience are as follows:

1. Provide railway management with a clear responsibility to manage the railway on commercial grounds free from political intervention.
2. Place reliance on the working of competitive forces with a minimum of regulatory constraints.
3. Ensure that the requirements of government policies or the provision of public facilities do not place burdens or give a commercial advantage to one mode over another.
4. Allow railway management freedom in the use of resources including entry into the trucking industry under the same regulations as may apply to independent truckers.

In regard to that last and vital point the Government, as a result of its transport policy, prevented the implementation of the recommendation. In doing so and by removing the regulations in force, it made it difficult for Westrail to retain the smalls traffic that was available to it, bearing in mind it was not allowed to compete on roads. Ultimately, in 1980-81,

Westrail saw a drop of 10 per cent to 15 per cent in the amount of general traffic it handled in the previous year. One must consider the reasons for the Government's decision to exclude the public sector from competing with private enterprise on road. If one reads the submission put to the people preparing the SWATS report by the Road Transport Federation, one can understand that the Government is completely subservient to the desires of the Road Transport Federation.

The Hon. G. E. Masters: We are committed to free enterprise wherever we have that opportunity, and this is one of those opportunities.

The Hon. FRED McKENZIE: The Government has an opportunity to hand to private enterprise some of the public sector which has operated efficiently for a long time and to the satisfaction of consumers. This public sector enterprise is a service which private enterprise people want to get their hands on.

The Hon. G. E. Masters: I will have something to say about that later.

The Hon. FRED McKENZIE: I know the Government's action is in line with its transport policy, but in following its policy it claims—quite deceitfully, I believe—that money will be saved by consumers; but that is not the case at all. Paragraph (5) of the summary of the Road Transport Federation as put to the SWATS committee reads—

Policy should aim to maximise the role of private enterprise in transport, and minimise the role of Government—with proper regard for public interest.

At part (5) of the federation's submission, page 15, it was stated—

The West Australian Road Transport Association (Inc.) strongly supports the Main Report of the SWATS Study Team, with two significant exceptions:

- (a) It disagrees with the proposal that Westrail should be free to compete directly for transport business, whether it involves a road component or not—unless this is taken to mean that Westrail would hire private road operators as part of the package service including rail, and would not engage itself directly in additional road transport operations.

- (b) It similarly disagrees with the proposed establishment of a separate Westrail division, to be known as Westfreight, to handle small freight consignments and parcels.

The main recommendation of the SWATS report is as follows—

That the handling of small freight consignments and parcels be transferred to a new and separate division of Westrail, to be known as Westfreight.

The purpose of the recommendation is to enable a relatively uneconomic and labour intensive sector of traffic to be adequately served under a separate 'organisational roof' with its own separate set of accounts.

The reason is that all consignments and parcels, while of great importance to many people, require a mode of handling that will be increasingly out of step with the rapidly growing and highly mechanised bulk transport traffic that provides, and will increasingly provide, the major earning power of Westrail.

By keeping the two kinds of business separate, problems that could adversely affect railway employees will be avoided. Furthermore, the separate business philosophies required for the two kinds of business can be pursued without conflict.

Of course it did not suit the Government to adopt that recommendation; and it did not allow Westrail to capitalise with a road fleet so that it could compete adequately with the private sector. Had it been permitted to do so there would have been a real saving for consumers, particularly those in country areas, the people whom this Government claims to represent in the main. But what has it done for them? It has completely abandoned the interests of country people.

The Hon. G. E. Masters: That is not true.

The Hon. FRED McKENZIE: It is true.

The Hon. G. E. Masters: There is no need to suggest that.

The Hon. FRED McKENZIE: It is just plain common sense; if the Government is to save \$7 million, as the Minister stated in his second reading speech, and the joint venture is to make in its first year of operation a net profit of \$2.6 million, as stated in the policy document, where is that \$9.6 million to come from? Nobody in this House has said that Westrail has been running an inefficient organisation, and nobody has said it cannot match the private sector on road as well as

on rail. Nobody here has made those charges, and nobody from country areas has displayed concern at the deficit. However, the Government sees fit to put country people at a disadvantage by requiring them to find that additional \$9.6 million out of their own pockets.

The Hon. G. E. Masters: That is just not true.

The Hon. FRED McKENZIE: From where will the money come?

The Hon. G. E. Masters: I will explain.

The Hon. FRED McKENZIE: I am quite happy for the Minister to explain.

The Hon. G. E. Masters: Will you sit down now and let me? Are you finished?

The Hon. FRED McKENZIE: I am not finished.

The Hon. G. E. Masters: If you were, I could soon reply.

The Hon. FRED McKENZIE: When the Minister replies I will listen with great interest.

I do not believe it is practical for the joint venture to pick up that sort of money without consumers footing the bill. Something will happen; either the service will diminish and deteriorate, or the costs to consumers will increase.

The Hon. G. E. Masters: I will explain it to you.

The Hon. FRED McKENZIE: People in country areas are concerned by this joint venture. A request from a country person came to me, and when I replied I said, in effect, "Now that I have been able to satisfy your request, let me express to you some of my views in relation to the joint venture." I expected an adverse reply from this person, but the reply I received with complete surprise was this—

I agree completely with all that you say and hope that the repercussions will be felt at the Polls.

That is a warning to country members, and I hope it will be vindicated in the 1983 election—I think it will. To continue—

I have nevertheless been amazed by the way people can reconcile such disasters "safely" within the ambit of their own political beliefs. Thus the business community in Narrogin whilst terrified with a few exceptions are reluctant to make anything more than a token protest such as an angry meeting of the Chamber of Commerce.

The farming community is largely in the same boat.

One objection that I have met is that for a long time now Westrail has abandoned its previous practice of touting for business such as carting of wool and other freight. Although many of the old farmers assure me that Westrail at one time did actively canvass business from the rural community. The fact that this ceased is probably due to the cut backs introduced some years ago and is really an argument that can be used against the Government as a whole.

Like you I am afraid that the matter has been accepted as a "fait accompli" but there is no certainty that a government will be returned.

That was the answer I received from a person in the country whom I did not know. I simply expressed my viewpoints when writing to him on another matter.

Another point that concerns me about the joint venture is that it is a 50:50 venture and there is a provision in the agreement that in the event of either party wishing to part with all or part of its shareholding, it will be shared between the other shareholders. What I am suggesting is that this is only the first stage in handing over a public asset worth millions of dollars to a private company at a bargain basement price.

The Hon. A. A. Lewis: That is absolute rot.

The Hon. FRED McKENZIE: That is what the Hon. Sandy Lewis says. Why has the Government a provision like that in this document? Obviously it would have sold out all of Westrail's backing in smalls had it found a company which had sufficient capital to buy it.

The Hon. G. E. Masters: What makes you say that?

The Hon. FRED McKENZIE: I do not know why, but I expect it certainly—

The Hon. A. A. Lewis: The Government would lose a lot of money to keep the service.

The Hon. FRED McKENZIE: The Government has sold other public enterprises for a song and that is what it is endeavouring to do with this venture.

The Hon. G. E. Masters: We are not.

The Hon. FRED McKENZIE: There would be too much outcry if it were sold immediately at bargain prices.

The Hon. G. E. Masters: You have no basis for saying that.

The Hon. FRED McKENZIE: If one looks at the cost of equipment which is set out in this

document one would find that the prices are ridiculous.

The Hon. A. A. Lewis: What is ridiculous about that?

The Hon. FRED McKENZIE: They are the estimated values.

The Hon. A. A. Lewis: Do you think that the estimated values are wrong?

The Hon. FRED McKENZIE: I do. If one looks at the list one will find that a mobile crane is priced at \$3 000. Where can one buy a mobile crane for \$3 000? A number of mobile cranes are included in the list.

The Hon. A. A. Lewis: Now you are talking about an area I understand.

The Hon. FRED McKENZIE: The licence number is shown alongside each piece of equipment and a mobile crane which has been licensed in Narrogin is priced at \$3 000. The same applies to one which is licensed in Geraldton. It is not the only piece of equipment included on the list. A 1962 Clark forklift is priced at \$7 000.

The Hon. A. A. Lewis: What a lot of money. A person would be taken for a ride.

The Hon. FRED McKENZIE: What is the member talking about?

The Hon. A. A. Lewis: Fancy paying \$7 000 for a Clark forklift. It should have been written off 20 years ago.

The Hon. J. M. Berinson: It was only bought 20 years ago.

The Hon. FRED McKENZIE: All right, we will look at something more modern—a liquid petroleum unit which was purchased on 30 June 1980 is priced at \$12 000.

The Hon. A. A. Lewis: That is fair enough. If you had a choice, which one would you buy?

The Hon. FRED McKENZIE: It is a 12 tonne unit.

The Hon. A. A. Lewis: I do not care if it is 20 tonne.

The Hon. FRED McKENZIE: There is a big difference.

The Hon. A. A. Lewis: Which was the one tendered?

The Hon. J. M. Brown: You could spend \$12 000 on repairs for one item.

The Hon. FRED McKENZIE: I suggest that members look at the prices of other pieces of equipment shown in this document.

Members will recall a number of questions being asked in this Chamber concerning the

successful tenderer for the joint venture. Members of the Opposition suggested in those questions that the contract had been let to Mayne Nickless Ltd. We were advised that the number of tenderers had been scaled down to five because Westrail considered these the only companies capable of handling the joint venture.

The Hon. A. A. Lewis: Do you think there are more companies capable of handling it?

The Hon. FRED McKENZIE: I am not in a position to say.

The Hon. A. A. Lewis: The Government is.

The Hon. FRED McKENZIE: I believe approximately 20 tenders were submitted, including one from a consortium of carriers from the country.

The Hon. G. E. Masters: Why did you think it would go to Mayne Nickless Ltd. in the first place?

The Hon. FRED McKENZIE: Because I had a copy of the document.

The Hon. G. E. Masters: Is it a stolen document?

The Hon. FRED McKENZIE: It is one of those documents that fell off the back of a truck. That sort of thing happens in this place.

The Hon. A. A. Lewis: Did it fall off a railway truck? It used to happen to our wool.

The Hon. FRED McKENZIE: The document continues—

During the formation of this merger proposal much assistance in providing knowledge and information by Westrail was given together with the substantial effort to the task of evaluating alternative methods.

Due recognition is hereby recorded to the dedicated efforts and valuable contribution made by members of the study team which comprised of Mr R. Robertson, Mr B. Guthrie and Mr S. Russell from Westrail and Mr G. Ranford and Mr P. Thomas from Mayne Nickless Limited. Their willing assistance is gratefully acknowledged.

The document was signed by D. G. Duffield. What was the purpose of calling tenders when it was a *fait accompli*?

The Hon. G. E. Masters: There may have been a number of other companies which set up similar documents.

The Hon. FRED McKENZIE: They tendered at a great disadvantage.

The Hon. G. E. Masters: Not necessarily.

The Hon. FRED McKENZIE: The die had already been cast.

The Hon. G. E. Masters: On what date did you receive that document?

The Hon. FRED McKENZIE: One has to be careful with dates.

The Hon. G. E. Masters: Especially with stolen documents.

The Hon. FRED McKENZIE: It is not a stolen document; it fell off the back of a truck.

The Hon. G. E. Masters: I am disappointed in you.

The PRESIDENT: Order! Honourable members are preventing the member on his feet from winding up his comments.

The Hon. FRED McKENZIE: In part, the document reads as follows

2.3 The Company will be based at Kewdale and manage the freight operations at the Kewdale Freight Terminal, together with public facilities including the weighbridge, gantry and piggyback.

2.4 The Company will be a proprietary limited company equally owned by Westrail and Mayne Nickless Limited and funded equally on the basis of a minimum equity capital and an interest bearing indefinite loan from each party.

	Capital Contribution		Total \$m
	Westrail \$m	Mayne Nickless \$m	
Asset Acquisition	1.25	1.25	2.5
Working Capital	1.25	1.25	2.5
	2.5	2.5	5.0

2.5 Westrail presently owns mechanical equipment and road vehicles which would be purchased by the Company. This equipment has been assessed by Westrail as having a market value of \$2.5m. The final figure to be determined by an independent value agreed to by both parties. The Capital Contribution required to be made by Westrail to the Company is \$2.5m

The Hon. A. A. Lewis: Excuse me. You have just said that the equipment is assessed by Westrail to be worth \$2.5 million. Were the valuations you read out put out by Westrail or an independent valuer?

The Hon. FRED McKENZIE: There is no mention of an independent valuer.

The Hon. A. A. Lewis: You just read out that they were to be assessed by an independent valuer.

The Hon. FRED McKENZIE: I will read it out again.

The Hon. A. A. Lewis: You do that.

The Hon. FRED McKENZIE: I hope the member will fully understand it this time. For the second time, it reads as follows:

This equipment has been assessed by Westrail as having a market value of \$2.5 million; the final figure to be determined by an independent value agreed to by both parties.

There is no independent valuer. It says, "independent value."

The Hon. A. A. Lewis: Are the figures you read out the Westrail figures or the value which was agreed to by the parties?

The Hon. FRED McKENZIE: They are Westrail's figures.

The Hon. A. A. Lewis: That is all I wanted to know. Thank you very much.

The Hon. FRED McKENZIE: It is proposed that a board of directors will be appointed comprising three members from each organisation and one independent chairman. So we have a 50:50 deal. I do not know how the chairman can be independent, but there will be three members from each organisation and one independent chairman. He will be drawn from either Westrail or Mayne Nickless, but I feel sure it will be Mayne Nickless.

The Hon. A. A. Lewis: Are you sure he will be independent?

The Hon. FRED McKENZIE: The document continues --

Objectives of the Company will be:

- (a) to return a profit before tax and after interest of 10 per cent on gross revenue.
- (b) to retain or increase market share.
- (c) to increase utilisation and return from the substantial fixed assets leased from Westrail.
- (d) to develop new business in the distribution related fields of warehousing, equipment hire, transport insurance, packaging etc.
- (e) to retain for Westrail a major share of the freight business on the present rail network complemented by a road transport system aimed at providing an overall efficient and competitive service.
- (f) to continue to provide a transport service to the majority of towns presently served by Westrail.

- (g) to provide rail terminal facilities for public use.
- (h) to encourage privately owned local and regional transport businesses to participate in a state transport network.

The Company as a corporate entity will require certain essential freedoms before it can operate. A wide definition of freedoms will give the most effective results. Essential freedoms are:

- (a) to operate as a rail intrastate freight forwarder of general freight from public sidings and company rail sidings within the intrastate general purpose rail network.
- (b) to operate on road on an unrestricted basis as to commodity and location.

There are a number of other objectives. This document was drawn up by the people mentioned earlier, representatives from Westrail and Mayne Nickless, for the purposes of setting up this joint venture.

The Hon. G. E. Masters: Did I hear you say that the comments from that document you put forward were that there will be seven directors, three from each?

The Hon. FRED McKENZIE: Yes, and one independent chairman, I think it said.

The Hon. G. E. Masters: One of those six, or would it be seven?

The Hon. FRED McKENZIE: The Minister can interpret it how he wishes. I will read it again to him. It reads as follows—

It is proposed that a board of directors be appointed comprising three members from each organisation and one independent chairman.

The Hon. G. E. Masters: They would be the directors of the joint venture?

The Hon. FRED McKENZIE: I interpret that as meaning there will be seven. I suggest that when the final decision comes down, if it is seven, the independent chairman will of course be a representative from Mayne Nickless.

The Hon. A. A. Lewis: How can he be independent?

The Hon. G. E. Masters: Have you seen this document I am holding?

The Hon. FRED McKENZIE: No.

The Hon. G. E. Masters: I suggest you read it. I will get you a copy.

The Hon. FRED McKENZIE: If the Minister sends me a copy I would be pleased to read it.

The Hon. G. E. Masters: It says something a little different in there, that's all.

The Hon. A. A. Lewis: "Independent" means independent!

The Hon. G. E. Masters: In my document it says, "The company will be a proprietary limited company controlled by a board of directors with equal representation." That is what it says.

The Hon. FRED McKENZIE: I read from my document.

The Hon. G. E. Masters: It is a stolen document and it is wrong. I am surprised at the member making such a speech that will be recorded from an inaccurate stolen document.

The Hon. A. A. Lewis: That sums up the opposition to the Bill. None of what the Opposition says is accurate.

The Hon. G. E. Masters: This little document is free for all.

The PRESIDENT: Order! Would honourable members please cease their interjections so the honourable member on his feet can conclude his speech.

The Hon. FRED McKENZIE: I will now read out the summary of the conclusions as it is interesting. It reads as follows—

A Proprietary Limited company jointly owned by Westrail and Mayne Nickless is proposed. The company would have an equity capital of \$2.5 million plus loan capital of \$2.5 million subscribed equally by the parent organisations. Existing assets will provide for Westrail investment.

The company will be controlled by a board of six plus an independent chairman.

The Hon. A. A. Lewis: That is a stolen document!

The Hon. FRED McKENZIE: Is the Minister saying there is only six?

The Hon. G. E. Masters: I am asking whether you are absolutely sure. That document you have was drawn up, but are you sure that is the one that was adopted and accepted, or is it just a stolen document you are using?

The Hon. FRED McKENZIE: I am not in a position to say that, but the Minister is. In his reply, the Minister should tell me whether there are six or seven directors. This document clearly states "A board of six plus an independent chairman." The Minister has interjected on me and it is quite clear he is in a better position to tell me in his reply whether the statement in this

document is correct or whether it has been modified so that only six people will be involved on the board. I continue with the summary—

Financial objectives include a 10% return on gross revenue after interest and before tax.

Financial appraisal indicates a potential gross revenue of \$23.0 million to \$26.0 million and a potential net margin before tax of \$2.6 million.

Westrail is expected to benefit from fixed charges to the company of \$0.9 million plus a return for services of \$3.0 million to \$5.0 million and a net profit share of \$0.700 per annum. There will also be an avoidance of present losses from service traffic.

The Company proposes to operate the whole of the Kewdale Freight Terminal and retain out depots for parcels at Subiaco and City. All country distributions will be through agents of the Company.

A feature of the Company will be the widest possible servicing of the communities now within the Westrail road and rail network. The company will provide a general freight and a parcels service with suitable frequency.

It is anticipated that intrastate freight made available to the Company from the present combined tonnages of Westrail and Bulk Freight Services will be in the order of 390 000 tonnes per annum.

The Company will lease facilities at Kewdale, Subiaco, City and eleven country centres from Westrail and will take over all Westrail and Bulk Freight Services commercial vehicles and mechanical equipment.

That was the original intention. I am not sure whether that has been followed through as a result of the giving away of services in the motor repair depot. The summary continues—

The Company will retain 434 Westrail staff out of a total 741 personnel affected by this traffic leaving 307 staff to be otherwise provided for. The surplus staff will be at Robb Jetty, other suburban stations, and at country locations.

Total staff requirements (excluding country agents) projected for the Company is 453. Mayne Nickless will provide 15 from Bulk Freight Services and 4 persons at management level will be recruited from the Joint organisations or from outside sources.

Road truck drivers employed by the Company should all be TWU members. The affiliation of other staff is not of central concern to the venture and would depend largely on technical practicalities, flow on implications and negotiation.

The only significant award difference effecting the JV is that of LSL at 7 years instead of 15 years and rail pass entitlement of Westrail employees.

The Hon. P. G. Pental: Did that get stolen, by any chance, from a satchel belonging to a Mayne Nickless employee?

The Hon. G. E. Masters: I do not think he cares.

The Hon. FRED McKENZIE: How would I know that?

The Hon. P. G. Pental: You must know where you got it from.

The Hon. FRED McKENZIE: I know where I got it—it came off the back of a truck. I do not have to keep repeating that.

The Hon. P. G. Pental: Your leader got it.

The Hon. FRED McKENZIE: Never mind about my leader.

The Hon. P. G. Pental: I am asking whether it was stolen out of the brief case of an employee of Mayne Nickless.

The Hon. FRED McKENZIE: The answer is, "No". It fell off the back of a truck—I do not think I have to keep repeating that. It continues—

The formation of the company will require a special Act of Parliament.

That is what we are doing here, of course. It continues—

It will be necessary to clearly define the objectives of the company in such an Act and to then encompass detailed responsibility in the Company agreement. A specialist firm of solicitors and advice from Crown Law Department sought should be for this purpose.

Whilst it is accepted that the company will cause concern to many groups in the community it is submitted that there will also be substantial benefits. Furthermore some items of concern will be inevitable and the impact may be lessened by the company.

The Company presents an opportunity to utilise the personnel and infrastructure now engaged in transport in a more effective and complete manner. The result of such action will be the furtherance of the implementation of Government Transport Policy and the

achievement of an improved rail financial result.

This result will be achieved whilst retaining a complete comprehensive service freight network for the community of Western Australia.

I will not quote any more of it it is a fairly extensive document.

The Hon. G. E. Masters: And inaccurate.

The Hon. FRED McKENZIE: It is quite clear that long before tenders were called, Mayne Nickless had this contract in the bag. It was purely an exercise in futility to call for tenders.

The Hon. G. E. Masters: That is totally inaccurate. You have no idea whether any other companies submitted similar documents. You have a stolen document which is inaccurate.

The Hon. FRED McKENZIE: Long before tenders were called, we predicted confidently that Mayne Nickless would get the contract. If the Minister cares to check, he will find it was published in the *Sunday Independent* that Mayne Nickless would get this contract.

The Hon. A. A. Lewis: Would you quote the *Sunday Independent* as the epitome of excellence as far as accuracy is concerned?

The Hon. FRED McKENZIE: It was in this regard, but I do not say it is on all occasions.

The Hon. A. A. Lewis: Oh, I see.

The Hon. FRED McKENZIE: It may be that the document from which I quoted came from the *Sunday Independent*.

The Hon. P. G. Pental: I asked whether it was pinched out of a man's brief case, not whether a newspaper gave it to you.

The Hon. FRED McKENZIE: This Government claims that it has a long-standing commitment to decentralisation. Everything I have observed since I came here in 1977 has been the reverse of that. This legislation will have a drastic effect on many country towns. I do not say it will happen in the major regional towns, but many of the small towns in between will suffer badly. I know that the Hon. Mr Lewis is well aware of the problems experienced at Bridgetown because he was in his electorate at the time of the projected rail depot closure and he knows the concern expressed in that particular town.

The Hon. A. A. Lewis: I was pretty good on that, wouldn't you say? Like the *Sunday Independent* a pretty knowledgeable bloke!

The Hon. FRED McKENZIE: The effect of this joint venture will be too big even for the Hon. Sandy Lewis to handle. For example, there will be

11 people less in Boyup Brook. I am getting in early to tell him that. The Government's commitment to decentralisation rings very hollow. The drift from country areas to the metropolitan area is increasing, and in the main it is caused by Government policy. Westrail was quite capable of handling the traffic on offer in competition with private enterprise without entering into any joint venture. However, the Government wanted to make it difficult for Westrail, and it was forced into this situation.

I have a major fear, although I do not think it will happen, that if the Government were returned in 1983, the next step would be that Westrail's 50 per cent share of the joint venture would be sold to Mayne Nickless for \$2.5 million—or whatever the sum of money is that is invested. Many millions of dollars worth of assets will be handed over to a private operator.

The Government has done such things before. It does not care how it cuts into the public sector. When the freezer traffic was taken away from Westrail, millions of dollars worth of capital equipment was cast to one side.

The Hon. G. E. Masters: How is this service operating? Are there any problems?

The Hon. FRED McKENZIE: The service has been full of problems.

The Hon. G. E. Masters: Did you say full of "promise" or "problems"?

The Hon. A. A. Lewis: Is it working all right now?

The Hon. G. E. Masters: I was told quite freely that there were no problems.

The Hon. FRED McKENZIE: I can quote to members comments that were made in another place by the member for Albany. I know the members in this House who represent the Albany area say the service is fraught with problems.

The Hon. G. E. Masters: When was that said—recently?

The Hon. FRED McKENZIE: That situation was a little different because the chiller service was franchised out.

The Hon. G. E. Masters: How long ago was this comment made by the Albany representatives?

The Hon. FRED McKENZIE: This comment was made in another place during debate on this Bill. If the Minister checks *Hansard* he will be able to read the comments of the member for Albany. He was not the only member to comment on freight rates. The member for Stirling

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Order! I remind the honourable member that it is against Standing Orders to refer to speeches made in another place during the same session of Parliament.

The Hon. P. H. Lockyer: Even if they are your colleagues!

The Hon. FRED McKENZIE: I am sorry, Sir, but an interjection was made and I responded to it.

The DEPUTY PRESIDENT: I realise what happened.

The Hon. P. H. Lockyer: So that is 100 lines instead of the cane!

The Hon. FRED McKENZIE: As I was saying earlier, the freezer traffic stopped overnight. The public were not considered at all.

The Hon. G. E. Masters: That is not true.

The DEPUTY PRESIDENT: Will the Minister stop interjecting and allow the member to continue.

The Hon. FRED McKENZIE: Freezer wagons worth millions of dollars were sold off for a few thousand dollars—virtually nothing. Some wagons were left, but the rest of them went.

The Hon. A. A. Lewis: What would it have cost to do them up properly?

The Hon. FRED McKENZIE: Brambles bought a number of these wagons. There is one in the area represented by Mr Wordsworth. A butcher has a wagon on site and he claims he got a bargain when he purchased it. The wagons were sold for virtually nothing.

The Hon. A. A. Lewis: Like the 1962 forklift.

The Hon. FRED McKENZIE: If the honourable member will show me where I can get a 1962 10-tonne forklift for \$7 000, I will be interested in it.

The Hon. A. A. Lewis: I reckon it was 10 times overpriced.

The Hon. FRED McKENZIE: That is the honourable member's story.

We must consider also the effect on the employees of Westrail. Morale is at an all-time low. Employment opportunities have gradually declined, and this decline has been caused by Government policy. We hear a great deal about freedom of choice and freedom to compete, but this policy has prevented the public sector from competing with road transport. This happened because the private road transport operators said they did not want any competition from the public sector. Initially I thought that the freight rates would remain fairly stable, and that after a

certain time they would increase. I know it had been said that there would be no freight increases with the closure of the Meekatharra line. Certainly there were no increases, but also there were no reductions.

The Hon. D. J. Wordsworth: There was. It went down to two-thirds of the railway costs.

The Hon. FRED McKENZIE: But the public received no benefit from it.

The Hon. D. J. Wordsworth: Yes. That is what they were charged.

The Hon. FRED McKENZIE: I have not seen any evidence of that from people in the area. People were telling me long after that the price of beer, which was supposed to be one of the major reductions—

The Hon. D. J. Wordsworth: It went down to two-thirds.

The Hon. FRED McKENZIE: How much did the price of beer reduce? Let us look at one specific item.

The Hon. D. J. Wordsworth: You know the railways load the cost of beer excessively.

The Hon. FRED McKENZIE: I know that. By how much did the price of a middy or a glass of beer to the consumer in Meekatharra drop? Can the Hon. David Wordsworth tell me that? There was no drop at all. That is what I was told. The consumer received no benefit from it at all—if there was a reduction. In some areas, the consumer was expected to pay considerably more for the freight.

It is rather tragic that Westrail has been forced—and I use the word "forced" deliberately—into this joint venture.

The Hon. D. J. Wordsworth: One thing is for sure: All the publicans are looking forward to this change.

The Hon. FRED McKENZIE: I can see no reason that Westrail should not have entered into a venture of its own accord. That would have been a better operation than being forced into the situation where it has a private enterprise operator—

The Hon. D. J. Wordsworth: How long is it since you caught the train to Kalgoorlie?

The Hon. FRED McKENZIE: Westrail is faced with a complete takeover by Mayne Nickless if this Government is returned in the future.

The morale of the railway personnel is at an all-time low, and understandably so. For the reasons outlined, we oppose the joint venture.

*Tabling of Documents*

The Hon. A. A. LEWIS: Under Standing Order No. 151, I would like the Hon. Fred McKenzie to table the document from which he has been quoting.

The DEPUTY PRESIDENT (the Hon. R. J. L. Williams): Would the honourable member please table the document he quoted from, under Standing Order No. 151—

The Hon. FRED MCKENZIE: Certainly.

The DEPUTY PRESIDENT: —to be returned to the member at the expiration of 72 hours.

*The document was tabled (see paper No. 182).*

*Debate Resumed*

THE HON. A. A. LEWIS (Lower Central) [10.47 p.m.]: We have heard tonight a speech by a member of whom I am very fond, and to whom I usually listen with a great deal of interest. I did so again tonight; but the wild statements he made tonight, on valuations which he did not really understand, on discussions of equity which he did not really understand, and on the statements members of the Labor Party have been making around country areas, indicate that nobody on the Opposition side knows what this Bill is all about. They do not have a clue.

Members opposite—including the Hon. Fred McKenzie—have talked about the poor service the joint venture will offer. What they leave out is that the rest of the towns will be serviced by local operators going into the joint venturers' depots and picking up the gear; so the places like Boyup Brook, about which Mr McKenzie was glibly talking, will have a daily service and not a twice-a-week-if-they-are-lucky service—a daily service so that the farming community can carry on with their business without being hamstrung by Westrail's complete lack of service.

The Hon. Fred McKenzie: Had you let Westrail in there with a road service, they would have provided a daily service.

The Hon. A. A. LEWIS: We have let Westrail in there with a road service, a bus service, and a train service, and it has mucked up the lot—absolutely ruined the lot—and ruined the businesses because of its gross inefficiency.

The Hon. Fred McKenzie spoke about 11 jobs being lost. It will not be 11 jobs, because of the rostering of certain train crews. I have had discussions with that great, efficient monolith called Westrail. As the Hon. Fred McKenzie knows, I have discussed train crews and rostering with Westrail before, and I have found it wrong. This paragon of virtue—Westrail—has been

found wrong again in its answers on how crews are rostered.

The Hon. Fred McKenzie: You are getting them from somewhere else, if you are going to run a crew at Boyup Brook. You are taking them from somewhere.

The Hon. A. A. LEWIS: The honourable member said that Boyup Brook would lose these people. Well, it will not lose them. Only one business is able to put 14 people back in there, and that is because of the joint venture. In Boyup Brook, the situation will be a plus-three gain, even using his figure of 11. His figure is wrong; but Boyup Brook will—not tomorrow, or the next day, but within the next eight or 12 months—have an increase in population because of the joint venture.

I have said that the local carriers will receive a bit of business, and they will be able to work and build up in the country towns. The Hon. Fred McKenzie said that this Government hated decentralisation, and that is why we are giving Westrail to Mayne Nickless and bringing people to the city. This is a heap of nonsense.

Mr McKenzie said that Mayne Nickless had the job in its pocket, because the company was represented on a study considering the terms under which the tenders were to be let. You would know, Sir, that this is a common practice. If one is going to do a deal in certain areas, one has two or three people draw up the terms on which one is going to let the tenders. The final body to decide on the terms was Westrail so it could let the tender. Mayne Nickless, because of its efficiency and the way it runs its business, had its tender accepted.

That is a normal, businesslike way of doing business. Nobody can accuse the Australian Labor Party of doing business in a normal way. Apart from rather rare exceptions—and one of them is sitting on the front bench here tonight—members of the ALP do not have any understanding of business or people. They rave on and talk about things—about finance, about efficiency, and about the drain on the taxpayers' funds—without affecting in the smallest way what will happen on 1 July.

It is absolutely ludicrous for the members of the ALP to start screaming and making the statements that they have made in the bush. They have very limited knowledge, as has been proved tonight by the Hon. Fred McKenzie who was reading from documents that have not been proved in any way; documents that were a draft, and that were to be used to establish the tender conditions.

Mr McKenzie says that the next step will be to sell out the Government's 50 per cent share or Westrail's 50 per cent share, and a complete takeover will occur. That would be a very good idea. If the joint venture loses as much as Westrail was losing, any businessman would say, "Goody gum drops. We'll give it to Westrail".

The Hon. Fred McKenzie: Who is going to pay for it? The public will pay. You know that.

The Hon. A. A. LEWIS: I know that. The public are already paying through the tax bill. The public are paying heavily to subsidise Westrail.

The Hon. Fred McKenzie: Don't you subsidise water and electricity in country areas as well?

The Hon. A. A. LEWIS: And a lot of things in city areas. Even the buses that run around the streets happen to be subsidised.

The Hon. Fred McKenzie: I am not complaining about that. I am complaining about the taxpayers subsidising freight for the people in the country. I am telling you they do it for water and electricity already. Are you suggesting that ought to be cut out, too?

The Hon. A. A. LEWIS: Mr McKenzie was not listening to what I said. This is a typical Australian Labor Party attitude. Members opposite talk about what is subsidised, without listening to the financial arguments.

After the Hon. Fred McKenzie's comment that the Government would sell out its 50 per cent so that Mayne Nickless would own all of the smalls traffic, I said one would imagine that would be very good business if the joint venture was losing money. If that were the case, the scheme would not be working properly; it would be as inefficient as Westrail is at present. Therefore, the Government would be very sensible to sell its share.

The Hon. Fred McKenzie: Are you saying the Commissioner for Railways is a bad commissioner?

The Hon. A. A. LEWIS: I am not commenting on personalities. A few of us did have a little to do with Westrail employees and services on Saturday and Sunday night, but we will not comment about that because it would offend the Hon. Fred McKenzie. Our comments would not be complimentary. I will deal with the commissioner on that score myself.

The Hon. Fred McKenzie: It will improve under a Labor Government.

The Hon. A. A. LEWIS: What an inane remark. When the Opposition lacks an argument it makes that sort of remark. The ALP will not

become the Government, so we need not worry. The Opposition has made a crazy attack on this joint venture, and I will deal systematically with the Hon. Fred McKenzie's remarks. If the joint venture is losing, the Government would be sensible to sell out and let Mayne Nickless take the losses, because I have never heard any Labor Party complaints about business taking losses. The ALP complains if multi-nationals make profits—that is a shocking thing—to pay people and pay taxation. But I have never heard the ALP complaining if General Motors-Holdens or someone else loses \$40 million or \$50 million. Then the Opposition says that is a risk they take—a capital risk. If GMH makes a profit the next year, it is a "horrible multi-national" which should be ridden into the ground. The Hon. Fred McKenzie is applying the same thinking to this joint venture.

The Hon. Fred McKenzie: If the joint venture loses money, your Government will buy it back at double the price.

The Hon. A. A. LEWIS: The Hon. Fred McKenzie is now giving us another story. How many does he have? Hans Christian Andersen has nothing on him. We are getting fairy tales from one end of the Chamber to another.

The Hon. Fred McKenzie: You took over the Midland Railway Company because it was losing money.

The Hon. A. A. LEWIS: That hurts the honourable member because I think he was a member of the Midland Railway Company. We can see that the Labor Party virtually acknowledges that the joint venture is going to make a profit.

The Hon. Fred McKenzie: At the public's expense.

The Hon. A. A. LEWIS: The Hon. Fred McKenzie's comments acknowledge that the joint venture will make a profit. We hear a lot from the purveyors of doom on the ALP side in these harsh economic times. According to Mr McKenzie the joint venture is looking at making 10 per cent profit.

The Hon. Fred McKenzie: It is in the document.

The Hon. A. A. LEWIS: That is nice. A lot of things the Hon. Fred McKenzie read out are in the document, but do not appear to be in the Minister's document or the Bill. That does not matter. Mr McKenzie told the House it looked as though the joint venture would make 10 per cent. Would it not be magnificent if the joint venture made 10 per cent and saved \$7 million or \$8 million of taxpayers' money? Would it not also be

magnificent if it gave a better service to all those communities that need it, and encouraged all the local carriers so that decentralisation became real and effective and not controlled by the Westrail monolith from its gorgeous buildings in East Perth? I wish I were as confident of the 10 per cent as is Mr McKenzie. If the joint venturers only break even I will say that is magnificent, because Westrail, if it is properly run, will be out to get onto carting the things it carries best.

The Hon. Fred McKenzie: I am glad you acknowledge it is efficient in some areas.

The Hon. A. A. LEWIS: I have never said Westrail is inefficient. I have dealt tonight with the subject matter of the Bill—the small goods traffic. I hope the Hon. Fred McKenzie realises that and that Mayne Nickless is not taking over half the railway system, although after my experience in the weekend I think it should have had the lot. There are some members here who would agree with me. We have in this proposal probably the best possible usage of private enterprise and semi-government finance and expertise. I congratulate the Minister on how quickly and efficiently he has gone about the matter. I believe each step he has taken, right from the draft to which the honourable member referred, is normal business practice. However, the Labor Party does not understand that. Members opposite do not understand that one has to take two or three steps before one works out what one puts out as a tender document. That is what worries me if Labor should get into power again. Imagine the lead spokesman for the Opposition tonight being Minister for Railways and issuing tenders. Think what tragedies might happen in the light of the lack of knowledge he has displayed tonight. If the ALP ever came to power the Hon. Fred McKenzie, with his knowledge of the railway industry, would certainly be Minister for Railways.

The Hon. G. E. Masters: He would be able to use all the stolen documents he wanted to then.

The Hon. Fred McKenzie: You would have them then, not I.

The Hon. G. E. Masters: I would not use them.

The Hon. A. A. LEWIS: The benefits to the consumer, as I see them, Sir, are many. The consumer will get a better service, because the joint venture will have the resources and facilities of Westrail behind it, and he will benefit from the joint venturers' real knowledge of motorised transport and the local knowledge of individual carriers who will participate either as direct agents or on an *ad hoc* basis. It can be seen everyone will benefit from this deal.

The Hon. Fred McKenzie: The local carriers won't. It will be centralised in Perth.

The Hon. A. A. LEWIS: Time and time again the figures produced by the Hon. Fred McKenzie are proved wrong and yet he continues to put forward other matters.

I have dealt with the points raised by the Hon. Fred McKenzie. Indeed, I do not believe he had any points to make. We are seeing opposition for opposition's sake from members opposite and I am sure that a man of the integrity and brightness of the Hon. Fred McKenzie would realise he is only putting up a dashed good fight; he also does not believe in the argument he is putting forward. He knows the joint venture is the best thing that could happen for Westrail.

**THE HON. J. M. BROWN** (South-East) [11.06 p.m.]: Unlike the Hon. A. A. Lewis, who has just resumed his seat, I do not support the Bill. It is very difficult to speak briefly on a subject such as this; it is very important and has wide implications.

After denigrating the comments made by the Hon. Fred McKenzie, the member who has just resumed his seat—

The Hon. A. A. Lewis: I proved his figures were wrong.

The Hon. J. M. BROWN: —made certain assertions as if he were the complete authority on transport and finance.

The Hon. A. A. Lewis: Who said that?

The Hon. J. M. BROWN: The member's comments are indicative of the amount of thought he has given to this serious subject. Indeed, his comments lacked any substance whatsoever.

The joint venture will have wide implications. Government members consider the implications will be for the benefit of the people served by the joint venture, but the Opposition disagrees. We base on previous experience our belief that Westrail will not be able to fulfil its function with a joint venturer. Of course, I refer to the transport of temperature-controlled cargo, the deregulation of which has proved to be an expensive exercise for the consumer, both in terms of services provided and prices charged.

The Hon. D. J. Wordsworth interjected.

The Hon. J. M. BROWN: Instead of interjecting, the member in front of me should stand on his feet and make a speech. I am putting forward my understanding of the effects the joint venture will have on the consumer—

The Hon. D. J. Wordsworth: Back it up with facts.

The Hon. J. M. BROWN: —who, in the main, lives in the country and has his goods delivered by the rail service in this State.

The employees of Westrail have opposed the joint venture. Members opposite have said it will save the Government \$7 million and a more efficient service will be provided to the consumer. It is proposed at this stage that a limited amount of freight will be carried—approximately 400 000 tonnes—at a rate which could be 30 per cent lower than that charged currently.

During the last 24 hours the Government has announced proposed increases in the price of fuel and motor vehicle licence charges. Bearing that in mind, it can be seen it is highly unlikely the joint venture will be able to transport goods at a lower rate than that charged by Westrail.

In its consideration of the joint venture, the Government has given little thought to the fact that it will result in increased traffic on the roads. Indeed, the deregulation which has taken place so far has resulted in greater use of road transport. One has only to use the road between Perth and Northam to realise the increased volume of traffic it carries now and the deterioration of the road surface. If it is intended to save \$7 million as a result of the joint venture, it is clear that sum will be spent in other areas, one of which will be road maintenance.

The restrictive monetary policies of the Government have caused the Main Roads Department to operate on limited resources; therefore, it has not been able to perform its role properly. East of Northam, road traffic has increased and this indicates people have accepted already that Westrail will fold up and will no longer provide a transport service to the community.

The joint venture has been brought about by the efforts of the Minister for Transport and the Commissioner for Railways, Mr W. I. McCullough, who has spent a great deal of time travelling around country areas in this State endeavouring to sell the idea that the joint venture will be of benefit to the people of Western Australia.

The Hon. G. E. Masters: And he will be proved to be correct.

The Hon. J. M. BROWN: The lack of success of the commissioner has been indicated by the fact that it has been necessary for him to return again and again to country areas to endeavour to convince the people that the proposition he is assisting to sponsor is the correct one. He has not been able to convince country people that the joint venture will be to their benefit. Indeed, the

commissioner has not been able to sell that proposition anywhere.

The Director General of Transport has played a significant part in this proposition also and in the downgrading of the services provided by Westrail. Indeed, he has assisted in giving those services to the road transport industry. I do not say he has taken that stance because of his background as a former manager of the Shell Co. of Australia Ltd. The director general has done this in his endeavours to give the private sector the opportunity to enjoy the provision of transport services which were provided previously by Westrail. That is the only reason I can see for his actions.

The Hon. G. E. Masters: Might it be that he wants to give the public a good service?

The Hon. J. M. BROWN: An example of the service provided by the Director General of Transport can be seen in the area of temperature-controlled cargo, which is not handled as efficiently now as it was when Westrail dealt with it.

The Hon. D. J. Wordsworth interjected.

The Hon. J. M. BROWN: In spite of the protestations of the member in front of me who continues to interject—

The Hon. G. E. Masters: He knows a bit about it.

The Hon. J. M. BROWN: —recently the cost of the goods has been higher and the service has been poorer. I know this from my own experience and other members here, except the member in front of me, would agree the service introduced by the Director General of Transport for the carriage of temperature-controlled cargo has not benefited country people, is not a good service, and does not operate at a price comparable with that which was charged previously.

If the Government is intent on having a joint venture with Mayne Nickless Ltd, it should realise that the company will not have the good will of the country people at heart. It is in it for the business and no other reason. It is in it to make a profit to satisfy its shareholders. That is the way the company will operate; it will want to make a profit. If it is to make a profit it will have to introduce certain cuts and obtain volume business. If it is to have volume business, the services may not be as regular as would be desired. I do not believe the joint venturers' services will be as good as Westrail's past services.

It should be noted that despite the introduction of various transport operators between the metropolitan area and country areas such as the

goldfields and Esperance—firms such as Wards, Total Transport Services, and Comet Overnight Transport operate overnight transport services—people still demand that their goods be carted by Westrail because of the high costs that would otherwise be involved to them.

I can give members an instance, however, of how Westrail's services are not utilised, even by people working in electorate offices. Even to have a typewriter delivered they ring up firms such as Total Transport Services because they do not realise that Westrail has services which could meet their requirements. I assure members that the cost of replacing Westrail's involvement in parcel freight will be high and will not be of benefit to consumers. Indeed, I believe the increase in costs to primary producers for the freighting of their wheat over the last two seasons has seen an excessive increase of 20 per cent and a further increase of 10 per cent. So we have one section of the community paying a far higher price for the transport of their goods to enable Westrail to lessen its deficit. People who have goods delivered either from the city or to the city will pay a higher price.

Let us consider now the social aspects of this legislation. Indeed, there will be a transference of jobs. Although there has been an assurance that no-one will be retrenched, no assurance has been given that people will not be downgraded. The Government has not found volunteers forthcoming to transfer from Westrail to the joint venture. I understand the Government is offering a 12-month trial to anyone willing to transfer. But what will happen to the worker? Has anyone given any deliberations to what will happen to the workers who have given a service for the community?

The Hon. G. E. Masters: A great deal of thought.

The Hon. J. M. BROWN: I want to give some thought to the workers and to the contribution they make to the economy. Members may remember when these railway workers lived in fettlers' camps; they experienced shocking conditions. They worked under very harsh conditions renovating the rail and re-sleeper sections. They had to live in humpies. Eventually their conditions improved through representations made by their union representatives in dealings with the commission.

Nevertheless, they still work in very harsh conditions. I instance the tragedy that occurred east of Merredin just before Christmas. The men involved were working out in the sun in near 100 degree temperatures. I understand it was

something like 33°C at the time and they were wearing earmuffs while working with jackhammers. An inquiry is to be held into this tragedy so I am not allowed to enter into debate on the incident. Nevertheless, I wanted to point out that quite often a railwayman is downgraded and called all sorts of names because of the work he does. These men were repairing the railway line and, because of curtailment in staff levels, while endeavouring to do their job, tragedy struck. These are the hardships with which railwaymen must contend.

I am pleased to note that the Government has considered their welfare. I hope it continues with this favourable consideration, particularly if it comes to be dissatisfied with the operation of the joint venture. I hope the Government gives the employees of Westrail the opportunity to serve their master—Westrail—in the manner to which they are accustomed. A worker will lose certain privileges and benefits by transferring to the joint venture.

The Hon. Fred McKenzie indicated the low morale of Westrail employees. Westrail officers, especially staff members, are very loyal and have been reluctant to make any observations about the transfer arrangements. They believe they have a service to carry out for country people and they liken Westrail to a carrier. They have not argued or complained about the arrangements. They have had to swallow a great deal, especially when they have read utterances in the Press, particularly those from Opposition members. I do not think they have had to suffer Government utterances about the performance of Westrail. They have had to suffer the indignity of being silent because of their loyalty to their master, the Commissioner for Railways. The Westrail employees have done a tremendous job.

It is interesting to note that one C. Y. O'Connor was the first Minister for Railways in this State. He expanded the railway service throughout the length and breadth of the State. I wonder if another O'Connor is to be responsible for the disbandment of the services started nearly 80 years ago.

It is fair to say that the former Commissioner for Railways, Jim Pascoe, would never have dreamed this could happen. As a railwayman I do not suppose he had a peer. His energies and ability were aided by such valuable men as Bob Hunter, Joe Kinsella, and Don Warden, all former assistant traffic managers or traffic managers. Their performance as dedicated railwaymen never came into question.

The Commissioner for Railways always was anxious to put the railways on a sound footing. I am sure the Hon. H. W. Gayfer would remember a question asked of the Hon. John Tonkin in 1972 when he was Premier as to whether Westrail would be able to handle the record harvest for that year. He said, "I have the assurance from the Minister for Railways that that will be done." Mr Pascoe indicated to me that was the first time he had received a compliment for the way the railways were run.

Western Australian Governments have not been prone to praise the railways for the services provided. If this Government wants to consider it a burden, it should start at the top of Westrail, not at the bottom. The only criticism I have of the Commissioner for Railways and his activities is that if he cannot run that organisation as successfully as it should be, something should be done about the top management. We should ask why Westrail cannot be run properly. Certainly the administration has not been reduced in numbers. If we are to change from one operation to another and have this joint venture, surely that is an indication that we do not need as many people at the top as we presently have. They will be looking for a refreshing change! I can assure them I would be only too happy to assist them in obtaining that change.

During a television interview, the correct date of which I am not sure, prompted by the dispute on the Westrail venture, Mr Pascoe said—

I am disappointed that only one recommendation was accepted. Deregulation has been accepted and I believe as a result of this Westrail could stand to lose a good deal of traffic. I very much question whether the consumer, the user of the transport system, in the long term is going to pay this.

I do not think Westrail was ever given a chance with the "Westfreight" proposition. The proposition was that Westrail would become an autonomous authority and could enter into open competition with private enterprise.

We do not want to witness a repetition of what has happened to certain members of our community. I know of a transport operator and also a farmer presently serving time in gaol for breaking similar transport regulations. No-one could say that the gaoling of those people has been to the advantage of this State. People have been encouraged to break the regulations, and the Government has now seen fit to allow farmers to transport wool to store on their own trucks. This will save the stock firms the time and expense of dummy-locking their gates.

Things that were done illegally, such as farmers delivering their wool late at night, can now be done legally. We should not by imposing incorrect regulations encourage people to break the law. It is good that this legislation will make these actions legal and not encourage people to break the law, something which they have been doing for some considerable period.

I am sure members of this House know that this breaking of the law has occurred with regular monotony. The illegal practice of farmers carting their produce at night to their stock firms has been aided and abetted by stock firms. I do not condone what has occurred and what these people have done, but at least the Government has seen fit to regulate what has been done by permitting farmers to continue with this practice. If we cannot enforce the law we should change the law so that people can obey it. The Government has moved in the right direction in allowing wool to be carted by a farmer on his own truck.

Westrail could be far more competitive than it has been; really, it has not been given a chance. The status of Westrail workers was lifted by Commissioner Wayne. The late Cyril Wayne and his wife performed a great service to this State. Jim Pascoe had large shoes to fill.

Certainly Jim Pascoe has acquitted himself within the constraints imposed upon him by the Government. He was a man of vision; he saw "Westfreight" as an advantage but did not have the opportunity to implement it. However, I do not have the same admiration for the ability of Ian McCullough. No doubt he has proved himself as a great engineer, although that can be questioned when one considers the expenditure taking place at present on the line between Kwinana and Koolyanobbing. Approximately \$35 million has been spent already in upgrading that line. Possibly it was not Mr McCullough's fault that it is necessary now to place heavier rails on that line—104-lb rails instead of 94-lb rails—at a considerable expenditure. Possibly it was not his fault that heavier rail was not used when the line was first constructed. But these matters should be borne in mind when considering the remarks of the Hon. Sandy Lewis when he referred to Mr McCullough's knowledge of economics. An amount of \$35 million has been spent that possibly should have been spent at the inception of the line. The Commonwealth Government should take some of the responsibility for heavier rail not being used originally on that line, and I say that in fairness to Mr McCullough. Originally there was the opportunity to make country towns happier places in which to live, but it was not used.

Our recently retired Premier, Sir Charles Court, as Minister for Railways, decided that the railway line should not go through Coolgardie because the people should not have to suffer that inconvenience. The line was rerouted 8 miles away from the town, but in regard to Merredin his Government decided to take the line through the centre of the town with no chance to alter that decision. The then Government did not consider the people of Merredin or Coolgardie, and I believe this Government in respect of this joint venture is not considering country people.

The democratically-elected Government of this State has the right to make decisions, but the decisions this Government is making will ensure a change in Government. This change will come about predominantly as a result of the effects the Government's decisions will have on the lives of country people. I do not mean the social impact merely in relation to the number of vacant houses in country areas, the tab the State Housing Commission and ultimately the Treasury will have to pick up, or the great decrease in the number of people living in country areas. An example is the closure of the convents at Kelleberrin and Trayning as a result of the erosion in numbers of country people in those areas.

The Hon. P. H. Lockyer: What has that to do with the railways?

The Hon. J. M. BROWN: The Government has taken away the railway gangs operating from those centres, and particularly I refer to the gangs which operated as maintenance crew in the early days of Westrail. The taking away of those gangs merely assisted people in deciding to pack their bags and go. The Government's action will have adverse repercussions on the economies of country centres such as Narrogin, Bunbury, Merredin, Kalgoorlie, Esperance, and Albany. Such centres owe their growth and/or stability to the railways. Whether the change will mean a more equitable service is debatable, but we on this side of the House say it will not.

I have referred already to the money that has been expended on Westrail, but we must consider the greater amount that will be lost by the displacement of country people and will not be made up by any savings. The road transport costs will be enormous. The cost of roads themselves will be enormous because our present roads will not be able to cater for the increased traffic. Millions of dollars will be required to maintain our roads.

I do not know whether Albany Highway is satisfactory in its present condition, and I do not

wish to debate that matter on this occasion as I am sure there would be arguments for and against. I know Great Eastern Highway must be reaching its maximum capability with the Eastern States traffic coming through. An increasing volume of traffic is using that highway, with more and more semi-trailers coming through with loads of 40 tonnes and more. That highway will be a more and more dangerous road on which to travel.

Westrail's record in carrying goods and passengers is second to none. I have said always that we have the best passenger service with the *Prospector* service between Perth and Kalgoorlie. I am a strong advocate of its upgrading and improvement, but the Government has never considered that course should be adopted.

The Hon. Neil Oliver: Have you travelled elsewhere at all?

The Hon. J. M. BROWN: Yes. The logo "Let's get this State back on the rails" was put out by Westrail and adopted. That logo was copied by the railway unions, the members of which were fighting for their livelihoods and the people they serve. The Secretary for Railways took exception to the logo being used by the union as it was the logo of Westrail. I am sure members are aware of the publicity in newspapers surrounding that matter. The union members were trying to promote the service which they are employed to operate, and were taken to task because they suggested that Westrail should get back on the rails. The Combined Railway Union and the Trades and Labor Council made pleas for Westrail to have an opportunity to compete with private enterprise, but those pleas fell on deaf ears.

The increase in traffic and the cost to Government services which will occur as a result of the increased volume of traffic on the road will be substantial; the situation on the roads will be worse than that which has ever existed. This will occur when wheat trucks travel between the country areas and the city to deliver grain. The joint venture will operate a service and the only person who will pay for it will be the consumer. It will not be the user of the Westrail service.

I only hope that the staff employed by Westrail will receive a fair and equitable opportunity to continue their employment. I doubt whether this will happen. The cost to the country centres will be enormous. The repercussions will not be as severe to Merredin—where I live—as they will be to towns such as Bruce Rock, Corrigin, Narembreen and Kellerberrin. However, I hope I am wrong in that regard.

I know that the Shire of Kondinin sent a deputation to the Commissioner for Railways in an endeavour to receive some support. It was assured by the Minister that the Westrail staff would remain; I believe two staff members are involved. The shire was informed that the stationmaster would spend half of his day seeking further sales and the other half of his day would be spent in ensuring the smooth operations of the business. I doubt very much that will last long when one considers what happened in centres like Salmon Gums and Bencubbin.

There will be a quick demise in the operations within those centres, which will be regrettable. As far as I am concerned the highlight of this debate is an article by Peter Winner in today's edition of *The West Australian*. The article is headed "Fall in freight costs predicted" and reads as follows—

Freight costs are expected to fall by up to 30 per cent when general freight transport is deregulated, probably on July 1.

Road transport companies have been preparing for the move which accompanies the formation of the Westrail joint venture with Mayne Nickless.

Legislation to deregulate general freight south of the 26th parallel and to set up the joint venture is before State Parliament.

I did not read the rest of the article because I wondered why Peter Winner mentioned "transport companies". I understand Mayne Nickless is the only company involved. I know that a great number of small country transporters are concerned about their future, and nothing has been mentioned about the small transporter who operates between the country freight terminal and the customer.

It will be a sad day on 1 July when the joint venture comes into operation. I wonder if the implementation of the joint venture will lead to further erosion of rail services and if the cartage of superphosphate will be undertaken by road transport. I wonder if the bulk wheat installations on which millions of dollars of Co-operative Bulk Handling Ltd shareholders' funds have been expended will continue to be utilised. I wonder also if we will see the direct freight of wheat from the farm to the port. These are the problems that will face the Government in the future and they will be increased by the implementation of the joint venture.

I strongly oppose the second reading of this Bill.

Debate adjourned, on motion by the Hon. N. E. Baxter.

## **ACTS AMENDMENT (COUNTRY WATER AND SEWERAGE) BILL**

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. G. E. Masters (Minister for Labour and Industry), read a first time.

### *Second Reading*

**THE HON. G. E. MASTERS** (West—Minister for Labour and Industry) [11.45 p.m.]: I move—

That the Bill be now read a second time.

This Bill seeks to amend the Country Areas Water Supply Act, the Water Boards Act, and the Country Towns Sewerage Act.

The need for the amendments at this time arises from two main causes. The first of these is the emerging trend towards high density development in country towns, especially the larger coastal towns, bringing about a significant increase in the demand for water and sewerage services in certain concentrated areas.

There is an urgent need to clarify the power of the Public Works Department and the country water boards to raise the necessary developmental charges and to expend expeditiously the money received on the required upgrading of water schemes. This power already is available to the Metropolitan Water Board.

The second cause is a consequence of the recommendations of a working party comprising representatives of various business interests which was convened late in 1981 to consider and advise on alternatives to land-valuation based rating.

The working party made recommendations for both long-term and interim measures to reduce the severe impact of valuation increases.

Separate legislation will be introduced during this session to empower the Metropolitan Water Board to implement certain interim measures for the 1982-83 rating year. To enable similar measures to apply in country districts, it is necessary to make several amendments which are contained in this Bill. In addition, several minor amendments are required to update the three Acts in certain areas to meet the needs for clarification or modification which have arisen in the evolving course of operations.

Part II of the Bill covers amendments of the Country Areas Water Supply Act. The requirement that catchments and waterworks must be situated in constituted country water areas and, in particular, may not be within the metropolitan area, is to be deleted. Increasingly, it is being found necessary to establish source works

at a considerable distance from the area in which the water is to be supplied. Consequently, it is necessary to constitute water areas far bigger than the actual supply area in order to embrace the source works and supply mains.

This restriction creates a particular problem if the department uses sources which are in the metropolitan area. An example is the lower Helena Dam and pumping station which are situated in the metropolitan area, but used to supplement the supply to Mundaring Weir. With the expansion of the metropolitan area further situations of this nature could occur.

Recently, agreement was reached on the integration of the use of major water storage dams by the metropolitan and country schemes. The proposed amendment will facilitate the operation of the integrated policy. However, the amendment will not permit the provisions of the Country Areas Water Supply Act relating to the supply of water and the rating of land to apply within an area where supply is controlled by the Metropolitan Water Board.

The Bill widens the scope of section 10 of the Act empowering the Governor to declare any land in a country water area to be exempt from rating. The Bill proposes that the Minister be granted power to declare temporary exemptions from rating for periods not exceeding two years. This provision is considered necessary to cope with situations where, because of a main extension or the subdivision or changed use of land, or the inadequacy of the supply of water, the department is unable or unwilling to supply water, or the rating of the land would cause hardship. Longer term exemptions would still require action by the Governor.

The amendment to section 33 of the principal Act is to permit reduction in the flow of water through a service by discing or other means as an alternative to disconnection. This follows the insertion of a similar provision in the Metropolitan Water Supply, Sewerage, and Drainage Act last year and is now proposed for the same purpose. The section is further amended to permit disconnection or restriction of a service to be used as a means of enforcing the provisions of another proposed amendment relating to section 35B.

The provisions of the Bill relating to amendment of section 35A and addition of sections 35B and 35C all introduce powers now available to the Metropolitan Water Board for the collection of subdivision or development charges and the use of the money collected.

In 1978 section 35A was added to the Country Areas Water Supply Act to empower the raising of lot charges to cover the cost of upgrading local distribution works in cases where land is subdivided to create additional lots. However, this section made no provision for the extra water requirements which may be imposed by high density building on existing lots.

New section 35B proposed by this Bill provides the power to raise charges on high density development comparable with those raised on a subdivision. The level of charges raised will be related to the additional water requirements imposed on the scheme by the development of land to a higher density or potential water use than that used as a basis for the design of the existing water scheme.

Money collected from these charges is intended to be available to finance work on any part of the water system in the general interest of maintaining an adequate supply. There will be cases when work will have been done in advance of the water requirement, which accounts for the need to amend section 35A by the insertion of the words "existing or proposed works".

The purpose of new section 35C is to enable the funds collected for the specific purpose of guaranteeing a supply to subdividers and developers to be set aside in a trust fund for use as required. Without this provision, these funds would have to be paid into Consolidated Revenue and would not be available without appropriation by Parliament. As this normally occurs only once a year, the use of the funds for their specific purpose is delayed and inhibited.

A trust account will assist in the expenditure use of the funds and in forward planning for the most economical construction of works. The Bill provides for the Treasurer to approve of guidelines for the management of funds in the account.

A minor amendment to section 37 removes the obligation of the Minister to raise charges against the appropriate fire control authority for the cost of installing or maintaining fire hydrants. Most hydrants are now provided by subdividers or developers and a charge for installation is no longer appropriate. Also, much of the checking and minor repair of hydrants is carried out in the course of other duties and the small cost does not justify the time involved in keeping separate costing records and sending accounts. It is therefore proposed that charging shall become discretionary rather than mandatory.

A further minor amendment to section 63A updated the description of vacant land for the

purpose of rating classification. The present term "unoccupied rateable land" has been found to be ambiguous when used in certain contexts.

The proposed amendment to section 65 of the principal Act is one of the moves towards adoption of a recommendation by the McCusker committee of inquiry supported by the findings of the working party, that the dependence of land valuation as a base for water and sewerage rating should be reduced. Because the Minister does not have the power to prescribe a minimum rate for each class or purpose of use, he is constrained to set the minimum at a level appropriate to vacant land. Such a level is not appropriate to improved properties with water connected. Some increase at this level will offset partly the cost of measures to reduce the impact of large increases caused by periodic revaluations and make for a more equitable distribution of charges.

Another of the recommendations of the working party is given effect by the proposed substitution of a new section 80 dealing with the granting of realistic discounts to early payers, the provision of an option to pay rates by instalments, and the power to charge a penalty for late payment.

Current high interest rates have increased the tendency for many consumers to delay payment and thereby obtain an indirect subsidy at the expense of early payers. This cross-subsidy can be rendered ineffective by a well-conceived plan to offset the effect of delaying payment by appropriate penalty charges with the object of equalising the true monetary value of the payment irrespective of when it is made. Proper implementation of this provision will be dependent on the introduction of a computerised billing and collection system currently being designed for the Public Works Department.

The final two amendments in this part are minor ones. Section 104 is to be amended to correct an obvious printing error. Section 105 is amended by the addition of two new paragraphs. One is to empower the Minister to make by-laws to protect meters and charge the cost of damage or unauthorised removal. The other is to support the provisions of the proposed new section 80 relating to discounts and penalties.

Part III of the Bill deals with the Water Boards Act.

The first amendment in this part is a minor one to update the value of any transaction into which a board member can enter with the board without having to obtain the approval of the Minister.

The existing level of \$500 was set in 1978, but is now considered by the boards to have become too low for practical administrative purposes.

The next two amendments to sections 59 and 60 incorporate into the Water Boards Act the same powers as have been added to the Country Areas Water Supply Act in 1981 or are proposed for that act in the current Bill.

The new powers in section 59 relate to the right of a consumer to request a meter test, the circumstances in which the consumer may be required to pay the cost of the test, and the procedure for assessing the amount of water consumed if the meter is found to be out of order.

The new provisions of section 60 relate to the power to disconnect meters and to use the restriction or disconnection of supply as a means of enforcing compliance with the requirements of new section 62B.

The proposals for amendment to section 62A and addition of new section 62B are identical with those proposed for sections 35A and 35B of the Country Areas Water Supply Act which I have explained previously.

Water boards control the supply of water in the towns of Bunbury, Busselton, and Harvey. The problems emerging in towns controlled by the Public Works Department are no less applicable to those towns controlled by boards.

It is therefore considered essential that the boards should have powers similar to those of the department to enable them to deal with those problems.

Part IV of the Bill relates to the Country Towns Sewerage Act. A new section 23A is proposed for this Act, enabling the Minister to extend sewerage works to developments on land not rated by the department. The power exists already in the Country Areas Water Supply Act and the Metropolitan Water Supply, Sewerage, and Drainage Act.

There has been an increase in the private development and subdivision of land in or adjacent to country towns and in the willingness of private developers to pay the cost of connection. It has therefore become necessary to provide the Minister with the necessary power to agree to requests for the connection of unrated land whenever it is expedient to do so.

The proposed amendments to section 40 are consequential to the proposed addition of a new section 46B which I will explain later. The increased penalties provide a more realistic deterrent for persons who might otherwise proceed with the development of land without due

regard for the requirements of the Act relating to the provision of adequate sewerage facilities.

The proposed amendment of section 46A and the addition of new sections 46B and 46C of the Country Towns Sewerage Act serve exactly the same purpose as the new provisions for subdivision and development charges in the Country Areas Water Supply Act.

The charges to be collected under these new provisions are an essential source of funds for the construction work necessary to make sewerage services available to meet the needs of increasing development in country towns.

The remaining three provisions of this part of the Bill all have counterparts in part II and in a similar manner they arise from recommendations of the McCusker committee and the working party.

New section 66A gives the Minister the power, already in the Country Areas Water Supply Act, to classify land by purpose of use for rating purposes. This makes possible the implementation of the amendment to section 68 empowering the prescribing of different minimum sewerage rates for different classes of rated property.

This will enable a more realistic minimum rate to be applied to improved domestic or commercial properties which enjoy sewerage services, but which attract only a very low rate because of low or outdated valuations.

A further amendment to section 68 empowers the Minister to prescribe maximum rates and to limit, by way of a percentage, the increase in rates from year to year arising from a revaluation.

The addition of new section 73A incorporates into the Act the same provisions as are proposed for the Country Areas Water Supply Act relating to discounts for early payment and penalties for late payment. In most cases, the rates for water and sewerage appear on the one account. It is therefore logical that the provisions for discounts and penalties should be identical.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Berinson.

## PARLIAMENTARY COMMISSIONER AMENDMENT BILL

### *Receipt and First Reading*

Bill received from the Assembly; and, on motion by the Hon. I. G. Medcalf (Leader of the House), read a first time.

### *Second Reading*

**THE HON. I. G. MEDCALF** (Metropolitan—Leader of the House) [11.59 p.m.]: I move—

That the Bill be now read a second time.

This Bill to amend the Parliamentary Commissioner Act 1971-1976 has three main objects as follows—

To provide for the statutory office of a deputy Parliamentary Commissioner;

to exclude the judges of the Family Court of Western Australia and certain of its officers and those of other courts from the Parliamentary Commissioner's jurisdiction; and

to bring up to date and to add certain statutory instrumentalities to the schedule to the Act which the commissioner is empowered to investigate.

The amendments to sections 4, 5, and 6 of the principal Act are designed to define, create, and state the duties of the deputy Parliamentary Commissioner.

It is proposed that the terms and method of appointment of the deputy will be the same as those for the Parliamentary Commissioner, in accordance with the Act.

The principal reason for the creation of the deputy is to provide immediate "cover", so to speak, when the Parliamentary Commissioner is absent from duty or from the State, in which event it is proposed that the deputy automatically should act in the office with all the Parliamentary Commissioner's powers, thus facilitating continuity of work, which is often of an urgent nature, and providing increased efficiency in a busy office.

At present only a duly appointed Acting Parliamentary Commissioner can perform the Parliamentary Commissioner's principal functions in his absence.

Such appointments under the provisions of section 7 of the Act and rule 6 of the Parliamentary Commissioner's rules 1972, involve a time-consuming and cumbersome procedure, which is quite inappropriate to deal with short or unexpected absences from duty of the Parliamentary Commissioner.

The procedure involves reference to and approval by the Speaker of the Legislative Assembly and the President of the Legislative Council, the drafting and submission of Executive Council minutes, consideration of the proposed appointment by the Executive Council, appointment by His Excellency the Governor, and gazettal.

The Bill seeks to overcome this cumbersome procedure.

As will be apparent in the Bill, several minor consequential amendments will be required to give effect to this proposal.

It is relevant to mention that both the Commonwealth and the State of New South Wales have statutory offices of Deputy Ombudsmen.

It is proposed to retain section 7 of the Act, which empowers His Excellency to appoint an Acting Parliamentary Commissioner, who could well be the deputy, because it is envisaged that such an appointment may be made when it is known that the Parliamentary Commissioner will be absent for an extended period. This could be due to illness, long service leave, or suspension for misconduct or incapacity. In such instances it may be expedient to appoint an Acting Parliamentary Commissioner rather than have the deputy performing his functions, and the Acting Parliamentary Commissioner could well be a person other than the deputy.

Section 13 of the principal Act is to be amended to exclude judges and registrars of the Family Court of Western Australia and registrars of the Supreme Court from the Parliamentary Commissioner's jurisdiction.

The Parliamentary Commissioner Act was enacted in 1971 and naturally did not cover the Family Court which was constituted by an Act of 1975.

The schedule to the Act has been updated. Apart from a few additions made to the schedule in late 1976 by rule of Parliament, the schedule has remained unchanged since the Act became operative.

A number of the originally-specified instrumentalities have since become defunct or have had their names changed by amendments to or by the repeal and replacement of the various Acts constituting the instrumentalities.

Further, the opportunity is sought to add more instrumentalities to the schedule and thus bring them within the Parliamentary Commissioner's jurisdiction. The additions to the schedule now proposed follow consultation with the relevant Ministers.

Following the passage of this Bill, rules 6 and 7 of the Parliamentary Commissioner's rules 1972 will become redundant and action will be taken to have them repealed.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. J. M. Berinson.

*House adjourned at 12.04 a.m. (Wednesday)*

## QUESTIONS ON NOTICE

### FUEL AND ENERGY: GAS

#### *North-West Shelf: Future Markets*

206. The Hon. FRED MCKENZIE, to the Minister representing the Minister for Fuel and Energy:

Referring to an article on page 94 of *The Western Mail* of Saturday, 17 April 1982, regarding future gas markets, the article stated that the Minister for Fuel and Energy, Mr Peter Jones, had stated on ABC "Nationwide" that "two firms of consultants have now studied our future gas markets". The same firm had conducted the 1979 study and the more recent one. The original study was by PA Consulting Services Pty. Ltd. The latest study, which identified severe market down turns, was conducted by W. D. Scott & Co. Pty. Ltd. Will the Minister advise—

- (1) How many studies have been made?
- (2) What firms were involved?
- (3) On what dates were the studies submitted?
- (4) Did any of the studies suggest—
  - (a) deferring the export gas project;
  - (b) if so, for how long;
  - (c) deferring the pipeline project; and
  - (d) if so, for how long?
- (5) Did any of the studies advise the added cost to the taxpayer or others, by years, or in total, as a result of burning an expensive fuel—gas—in lieu of coal?

The Hon. I. G. MEDCALF replied:

- (1) to (5) The Minister for Fuel and Energy advises that marketing studies were undertaken by PA Consulting Services Pty. Ltd. and W. D. Scott & Co. Pty. Ltd., in September, 1979 and in February 1982. Neither of the companies nor the studies recommended deferring any part of the project whatsoever.

## ELECTORAL: "KELLY LINE"

*Reassessment*

224. The Hon. PETER DOWDING, to the Minister representing the Minister for Resources Development:

- (1) When will the current reassessment of the "Kelly Line" be completed, and will the information be made available to me, the House, and members of Parliament?
- (2) If so, when?

The Hon. I. G. MEDCALF replied:

- (1) and (2) The Minister for Resources Development refers the member to the answer given to question 739 on 18 November 1981, which supplies the information he is now again seeking.

## ELECTORAL: "KELLY LINE"

*Reassessment*

226. The Hon. PETER DOWDING, to the Minister representing the Minister for Agriculture:

- (1) What assistance has been made available in the last three years to rice growing projects in the north, and what is the name and amount of assistance granted in each case?
- (2) What is the yield from each of the farmers assisted with the project?
- (3) Upon what terms were advances or assistance made or given, and what repayments, if any, have been made?

The Hon. I. G. MEDCALF replied:

- (1) and (3) Assistance made available specifically to rice growing projects in the north over the last three years has been—

1978-79—\$260 000

1979-80—\$203 000

1980-81—\$290 000

No direct subsidy is paid to rice farmers. The above sums are mainly expenses in operating the rice mill. These costs are high because of the small throughput presently obtained. Charges to farmers are based on the estimated per tonne cost if the mill were running at full capacity and are in line with charges in other States.

- (2) Farmers' individual yields are considered confidential.

GOVERNMENT EMPLOYEES:  
KIMBERLEY AND PILBARA*Air-conditioning Subsidy*

233. The Hon. PETER DOWDING, to the Minister representing the Premier:

- (1) What air-conditioning subsidy is paid in respect of each town in the Kimberley and Pilbara for State Government employees?
- (2) When was the subsidy last increased?
- (3) Upon what calculations is the subsidy based?

The Hon. I. G. MEDCALF replied:

- (1) Subsidy Levels—

Room units—unit in living room and master bedroom—

- (a) where a unit is provided for night cooling the subsidy claimable is 480 units per approved month;
- (b) where a unit is provided for day cooling, the subsidy is 640 units per month to take into account the larger unit size provided to the living area.

Government Houses with Ducted Systems—

The subsidy for Government houses is 1 500 units per month where approved for both night and day cooling. For those months where only the night or day criteria is met, the subsidy is 750 units.

Mining Company Leased/Purchased Housing—

Tenant contributes \$6 per week over the full year.

The air-conditioning subsidy for apartment units with ducted air-conditioning is 1 200 units per month where approved for both night and day cooling. For those months where only the night or day criteria is met the subsidy is 600 units.

Government employees residing in caravans fitted with air-conditioning, who pay either directly or indirectly for power utilised for air-conditioning are eligible for subsidies.

Scale of subsidies are—

Air-conditioning unit capacity 1 500W (2 h.p.) or more — maximum subsidy 640 units/approved month.

Air-conditioning unit capacity 1 100W-1300W (1½ = 1 3/4 h.p.) — maximum subsidy 480 units/approved month.

Air-conditioning unit capacity 750W-1 000W (1 = 1 1/4 h.p.) — maximum subsidy 320 units/approved month.

Air-conditioning unit capacity 560W (3/4 h.p.) — maximum subsidy 240 units/approved month.

Air-conditioning unit capacity 375W (1/2 h.p.) — maximum subsidy 140 units/approved month.

In the event that more than one air-conditioning unit is installed, the subsidy is to be based on the scale; however, the combination of subsidy entitlement is not to exceed 640 units, because of the small area served.

(a) 1 x 3/4 h.p. unit = 240 units/approved month

1 x 1/2 h.p. unit = 140 units/approved month

Total subsidy = 380 units/approved month

(b) 1 x 1.5 h.p. unit = 480 units/approved month

1 x 3/4 h.p. unit = 240 units/approved month

720 units/approved month

Subsidy is not to exceed 640 units.

The schedule showing the actual approved months for particular towns is below.

#### Subsidy Schedule

Town	Night Criteria		Day Criteria	
	Months	Period	Months	Period
Balgo		6	Oct-Mar	5
Nov-Mar				
Ballidu	—		3	Dec-Feb
Beacon	—		3	Dec-Feb
Bencubbin	—		3	Dec-Feb
Broome	7	Oct-Apr	7	Oct-Apr
Buntine	—		3	Dec-Feb
Cadoux	—		3	Dec-Feb
Camballin	7	Oct-Apr	8	Sep-Apr
Carnamah	—		3	Dec-Feb
Carnarvon	3	Jan-Mar	2	Jan-Feb
Cherrabun	6	Oct-Mar	7	Oct-Apr
Christmas Creek	6	Oct-Mar	7	Oct-Apr
Coorow	—		3	Dec-Feb
Cue	2	Jan-Feb	3	Dec-Feb
Dalwallinu	—		3	Dec-Feb
Dampier	7	Oct-Apr	7	Oct-Apr
Denham	3	Jan-Mar	2	Jan-Feb
Derby	7	Oct-Apr	8	Sep-Apr
Exmouth	4	Dec-Mar	4	Dec-Mar
Fitzroy	6	Oct-Mar	8	Sep-Apr
Gascoyne Junction	4	Dec-Mar	5	Nov-Mar
Gabbin	—		3	Dec-Feb
Goldsworthy	7	Oct-Apr	7	Oct-Apr

Go Go	6	Oct-Mar	8	Sep-Apr
Halls Creek	5	Nov-Mar	7	Oct-Apr
Jigalong	6	Nov-Apr	5	Nov-Mar
Karratha	6	Nov-Apr	7	Oct-Apr
Kununurra	6	Oct-Mar	8	Sep-Apr
Kalannie	—		3	Dec-Feb
Kalumburu	7	Oct-Apr	8	Sep-Apr
Koorda	—		3	Dec-Feb
La Grange	7	Oct-Apr	7	Oct-Apr
Latham	—		3	Dec-Feb
Laverton	2	Jan-Feb	2	Jan-Feb
Leonora	2	Jan-Feb	2	Jan-Feb
Lombadina	7	Oct-Apr	7	Oct-Apr
Marble Bar	5	Nov-Mar	7	Oct-Apr
Meekatharra	3	Dec-Feb	4	Dec-Mar
Menzies	2	Jan-Feb	2	Jan-Feb
Mingenew	—		3	Dec-Feb
Mollerin	—		3	Dec-Feb
Morawa	—		3	Dec-Feb
Mount Magnet	2	Jan-Feb	3	Dec-Feb
Mullewa	—		3	Dec-Feb
Newman	7	Oct-Apr	5	Nov-Mar
Nullagine	5	Nov-Mar	7	Oct-Apr
One Arm Point	7	Oct-Apr	7	Oct-Apr
Onslow	4	Dec-Mar	5	Nov-Mar
Pannawonica	7	Oct-Apr	7	Oct-Apr
Paraburdoo	7	Oct-Apr	7	Oct-Apr
Perenjori	—		3	Dec-Feb
Pithara	—		3	Dec-Feb
Port Hedland	7	Nov-Apr	7	Oct-Apr
Roebourne	7	Nov-Apr	7	Oct-Apr
Sandstone	2	Jan-Feb	3	Dec-Feb
Tardun	—		3	Dec-Feb
Three Springs	—		3	Dec-Feb
Tom Price	7	Oct-Apr	7	Oct-Apr
Useless Loop	3	Jan-Mar	2	Jan-Feb
Warburton	2	Jan-Feb	3	Dec-Feb
Wialki	—		3	Dec-Feb
Wickham	6	Nov-Apr	7	Oct-Apr
Wiluna	3	Dec-Feb	4	Dec-Mar
Wittenoom	6	Nov-Apr	5	Nov-Mar
Wubin	—		3	Dec-Feb
Wyndham	9	Sep-May	9	Sep-May
Yalgoo	2	Jan-Feb	3	Dec-Feb

(2) Subsidy last increased for two air-conditioning unit houses as from 1 September 1979.

Subsidy last increased for full ducted houses as from 1 September 1979.

Cabinet has approved a subsidy loading for shift workers occupying houses equipped with individual window units to take into account the need for day time sleep to be effective from 15 February 1982. The basis for calculation has yet to be finalised.

As from 15 March 1982 subsidy payments are to be limited to the amount of the electricity account or the maximum subsidy, whichever is the lesser amount.

- (3) The level of subsidy has regard to a number of factors including the type of unit, consumption patterns and the requirement for the tenant to make a reasonable contribution toward the cost of operating the air-conditioning units.

## LAND

### Onslow

239. The Hon. PETER DOWDING, to the Minister representing the Minister for Mines:

- (1) Did he or his department object to the granting of a special lease of an area of land adjoining Kooline Station and Ashburton Downs Station near Onslow?
- (2) Upon what grounds did he or his department so object?
- (3) Why did the department object?
- (4) What interference would there be to mineral exploration or exploitation if a special lease were granted to Mr Ingie?

The Hon. I. G. MEDCALF replied:

- (1) to (4) The Department of Mines raised no objection to the land being granted as a pastoral lease, but did object to a special lease being created, as the land referred to comprises an area which has some potential for the occurrence of a wide variety of mineral deposits. I am advised that there was concern that the grant of a special lease could remove the land from the definition of Crown land under the Mining Act, whereas the grant of a pastoral lease would not.

## FUEL AND ENERGY: ELECTRICITY

### *Kimberley and Pilbara: Subsidies*

251. The Hon. W. R. WITHERS, to the Minister representing the Minister for Fuel and Energy:

- (1) In respect of Mr P. V. Jones' comment in *The West Australian* of Thursday, 29

April 1982, in which he is reported to have said the State Energy Commission subsidised the Kimberley and Pilbara power generation by \$22 million, would the Minister please determine the subsidies on a town by town basis in the Pilbara and the Kimberley?

- (2) Are these apparent subsidies the reason for the SEC headworks charges imposed on northern industries?
- (3) If the Dessert Seeds Company of Kununurra relocated its seed treatment operation to the Perth metropolitan area, would the SEC still impose a \$24 000 headworks charge on that company?
- (4) If the Dessert Seeds Company established its operation in New South Wales and then relocated in Western Australia under the Western Australian Government's invitation to NSW industry, what relocation assistance would be available to the NSW company?

The Hon. I. G. MEDCALF replied:

(1)	\$ million
Port Hedland	9.8
Kununurra	1.6
Karratha	3.9
Broome	1.8
Derby	1.8
Roebourne	0.7
Wyndham	1.8
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Total	21.4
Other small towns	0.6
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Grand Total	\$22.0 million
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- (2) The use of the word "apparent" is not understood, as the above subsidies are real, and represent the margin between actual generating costs and the electricity tariff which is charged to the consumer. The costs involved with the provision of headworks are additional to the above charges, and also additional to reticulation headworks charges.
- (3) The charges that would be imposed upon any company or commercial operation within the metropolitan area would be determined by the location and volume if supplied from the metropolitan coal-based inter-connected grid system.

- (4) The range of Government incentives for new industrial land and capital grants apply to any company intending to introduce a new industry to Western Australia, not in competition with existing industries. The suggestion that incentives regarding land, energy, or other forms of assistance could be available to industries from outside Western Australia in order to encourage their establishment in the metropolitan area of Western Australia is wrong if it is suggesting that the same incentives are not available to Western Australia.

The Dessert Seed Company would not gain any additional benefit by first locating in New South Wales and then moving to Western Australia.

As has been announced on several occasions, the Government is well aware of the high cost of providing energy in the Pilbara, both where initial capital costs, as well as ongoing generation and reticulation costs are concerned. Various methods of assisting in alleviating these costs are being considered, and the member would be well aware that officers of the SEC have discussed various models with the shire councils and commercial interests in both Pilbara and Kimberley.

## POLICE: CRIME

### *Commission*

252. The Hon. P. G. PENDAL, to the Minister representing the Premier:

I refer to the reported remarks of the Prime Minister in *The West Australian* of 29 April 1982 on Federal plans for a Crimes Commission and ask—

- (1) Has there been any formal request to the Premier for the Western Australian Government to co-operate in the creation of a national crimes commission?
- (2) What is the basis of the Prime Minister's assertion that young members of Parliament would be grey-haired before all-States co-operation was achieved, if in fact such co-operation has not yet been sought?

- (3) Have there been any recent examples of the WA Government failing to co-operate with Federal Government inquiries—specifically the inquiries into the meat scandal, the Builders' Labourers Federation, and drug trafficking?

- (4) If "No" to (1), will the Premier ask the Prime Minister to desist from using the intemperate language contained in the news report as a means of achieving real co-operative federalism rather than the truncheon-like approach indicated by the Prime Minister's remarks?

The Hon. I. G. MEDCALF replied:

- (1) No.
- (2) The Prime Minister's criticism is not justified in view of the very effective co-operative working arrangements developed between the States and the Commonwealth through the Australian Police Ministers' Council in the past two years. This council has formed the Australian Bureau of Criminal Intelligence and is close to finalising agreement on a national police research unit. There is no reason a national crime commission should not be similarly developed utilising the constitutional authority and practical experience of the States.
- (3) No. The Western Australian Government has co-operated with the Federal Government in the inquiries into the meat industry and drug trafficking. So far as the BLF inquiry was concerned, the State Government assisted with the provision of some facilities for their hearings in WA.
- (4) Yes, as there is no justification for the kind of comments ascribed to the Prime Minister an appropriate protest is to be made.

## QUESTIONS WITHOUT NOTICE

### FUEL AND ENERGY: GAS

#### *North-West Shelf: Future Markets*

59. The Hon. FRED McKENZIE, to the Attorney General:

In replying on behalf of the Minister for Fuel and Energy to question on notice 206, the Attorney General gave answers to parts (1) to (4) of my question, but no reference was made to part (5). Could

he endeavour to obtain an answer for me, and do so at the earliest opportunity?

The Hon. I. G. MEDCALF replied:

The reply I gave refers to parts (1) to (5). However, I will make inquiries of the Minister for Fuel and Energy.

importance of this post can he indicate the form and extent of advertisements of the position?

- (2) Given suitable applicants, could he indicate also when it is anticipated the new appointment will be made?

#### PARLIAMENTARY COMMISSIONER FOR ADMINISTRATIVE INVESTIGATIONS

##### *Appointment: Advertisements*

60. The Hon. J. M. BERINSON, to the Attorney General:

- (1) I refer to the pending appointment of a State Ombudsman. In view of the

The Hon. I. G. MEDCALF replied:

- (1) and (2) This is not a matter which comes within my portfolio jurisdiction, but I will make some inquiries and let the member know the situation.

