WESTERN AUSTRALIA

Parliamentary Debates

(HANSARD)

THIRTY-FOURTH PARLIAMENT
FOURTH SESSION
1996

LEGISLATIVE COUNCIL

Wednesday, 23 October 1996

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THE DEPUTY PRESIDENT (Hon Barry House) took the Chair at 2.30 pm, and read prayers.

MOTION - URGENCY

Racism Debate; Irving, David

THE DEPUTY PRESIDENT (Hon Barry House): Members, I have a letter addressed to the President of the Legislative Council as follows -

> Pursuant to S.O. 72 it is my intention at today's sitting to move that the House at its rising adjourn until 9.00 am on 25th December 1996, in order to urgently consider -
>
> 1 The failure of this government and its Federal counterpart to provide leadership on the racism debate which is dividing the community.
>
> 2 Leaving open the speculation that David Irving a well known right wing fascist supporter may be allowed into the country thus allowing further division and concern within the community of Western Australia.
>
> Yours sincerely
>
> SAM PIANTADOSI, J.P., M.L.C.
> MEMBER FOR NORTH METROPOLITAN REGION.

In order to discuss this matter, it will be necessary for at least four members to indicate their support by rising in their places.

[At least four members rose in their places.]

HON SAM PIANTADOSI (North Metropolitan) [2.34 pm]: I move -

> That the House at its rising adjourn until 9.00 am on 25 December.

I thank members for giving me this opportunity. In recent days the focus of attention has been on racism and racist remarks. I will start by referring to the comments of the Independent federal member for Oxley and some of the people she targeted. There are some areas of her statement to the Federal Parliament of which one would be supportive, considering all the facts; however, one would certainly be alarmed by a number of her comments. When she starts targeting people, the situation becomes very difficult. It is easy for members to get to their feet under the protection of the Parliament because they have an idea of what they want to say and how far they would like to see the issue go. Unfortunately, once those kinds of comments are made and they get into the mainstream community, the members tend to lose control over what eventuates in the community.

One area on which I take issue with Ms Hanson is Asian immigration. I do not deny for one minute that there have been problem areas with immigration. In previous times people pointed the finger at those of my background. I remember people referring to the Northbridge ghetto or little Italy in Northbridge and other areas where there were many problems; however, they have been resolved. Many Asians do not live in ghettos: They live in suburbs such as Nedlands, Churchlands, Dalkeith, Noranda, Wembley and City Beach. Many are professional people.

Problems have occurred in places such as Cabramatta. That area has become the focus of attention for drug dealing and other activities. When considering what has brought that situation about, it must be recognised that the people who settled there were mainly boat people who came here with nothing. In areas where refugees have settled, there are always problems initially. It will take time before those people are able to fit into society because they do not have the means to get out of that environment, assimilate and move into more affluent areas. A number of factors are involved. Not enough consideration has been given by Ms Hanson to that question. She has been allowed to blatantly pool everybody together.

Many members on both sides of the House will know a number of people from Asia and I am sure that those people would not fit into the category Ms Hanson is trying to put them in. It is sad that she has cast judgment on all people from Asia, simply and purely because of what may occur in a few pockets throughout Australia. Members may recall that 30 years ago the term "whingeing Pom" was used often. Problems occurred in Australia in the 1960s when many

people from the United Kingdom used to walk around as though they owned the place. Many of them had the right to vote.

Hon Reg Davies: Some of them still walk around like that!

Hon SAM PIANTADOSI: Yes. I took umbrage at that very point earlier this year.

Those problems may be resolved but, even though people may intend to achieve certain things, once these matters get out of hand the control is given to the neo-Nazi groups, which are waiting to pounce on statements such as that. The Prime Minister is demonstrating a new openness and is advocating that everybody should have freedom of speech. I fully support the concept of freedom of speech, but the Prime Minister must recognise the damage that can be caused by one person inciting racial hatred. Three years ago it was mooted that David Irving would visit Australia and the then Labor Government banned him from entering the country. What was the result? Synagogues in Victoria were petrol bombed and synagogues in Perth were defaced. Jewish people in the community were targeted and their homes were damaged. They were frightened and concerned for their lives. The Prime Minister must draw a line somewhere and so must we as members of Parliament.

At the moment Asian people are the focus of remarks by Pauline Hanson, and the Jewish and black communities are targeted by David Irving. This leads to serious concern about the consequences should Irving be allowed into this country. The mere speculation that he may be has led to right wing, skinhead, reactionaries becoming active in the community. They are already doing damage and it should be stopped as soon as possible. I urge members opposite to support my motion and to ask their federal counterparts to ensure no further speculation arises about a visit to this country by David Irving. A number of countries have banned him already. Three years ago when this issue arose religious centres were fire-bombed and defaced and people's homes were damaged. We must put an end to this speculation once and for all.

There is enough evidence of Irving's activities in Canada to justify banning him. This group has been targeting people in Germany, and four years ago in a town in East Germany 500 skinheads attacked any foreigners who were working in that town. I understand approximately 300 people were attacked. Irving met with the Ku Klux Klan in the United States and Canada and whipped some enthusiasm into them. Members will know that he has tried to rewrite history to further advance his cause. At the end of the day, he creates conflict and community tension in any groups with which he associates. The incidents that occurred in the Eastern States, particularly St Kilda and Caulfield, which have predominantly Jewish populations, could happen on our doorstep. In fact, the synagogue at Mt Lawley was defaced. I stress that once people such as this begin chanting their slogans and rabblerousing among skinheads and right wing reactionaries it is difficult to stop them. It is a matter of concern that even though damage has occurred in Western Australia and Australia, it would probably be considered benign compared with the incidents in other countries. No deaths have yet occurred in Australia as a result of these activities, but there is always a starting point. If this matter is not taken in hand the situation in this country will be no different from that in other countries. We must not allow these radicals to destroy human life. Ultimately that will occur if action is not taken to stop them. Similar decisions have been made in European countries and in Canada, South Africa and England. England is struggling to keep this under control. I understand these people met at a special club in that country. It started holding dinner parties and then launched into a number of other activities under the guise of club activities. That group was targeting Negroes. Anyone who was not white was a target.

The Prime Minister wants to give everyone a fair go and allow people to express their opinion. That is commendable, but the speculation in this matter has created a problem. I am sure that even he does not want to let a loose canon such as David Irving into this country and nor does he want Irving's cohorts loose on the streets of our cities. Irving has made his views quite clear, and I quote from a report which appeared in *The Australia/Israel Review* as follows -

> Perhaps most disturbing is the fact that Irving appears aware of the consequences his actions have throughout Europe. Interviewed by the London magazine *Time Out* he claimed "Central Germany as I would call it - you would call East Germany - is going to be a breeding ground of political extremism and the present tilt is towards the right. I won't exploit it personally, but I do go along and mob orate for other people . . . I intend to drive from town to town making speeches from the back of a truck and just see what happens."

Irving lays the foundations, lets others do the dirty deeds and then moves on. He orchestrates the situations and will organise the death and suffering of many people. Now that members have heard Irving's statement and his clear intent, I am sure they will all support my motion. They should impress upon the Prime Minister that although they respect his intention to allow freedom of speech, he should follow the lead of former Prime Minister Paul Keating in banning the entry of David Irving to this country.

HON JOHN HALDEN (South Metropolitan) [2.50 pm]: We should welcome this debate. I welcome it. With regard to the first part of the motion, we should be fostering bipartisanism on this issue in this place. There has been bipartisanism for a significant period. We should not use our words indelicately to compromise that position. At all times we should be trying to maintain that perspective. With regard to the second part of the motion, I will read what a colleague of mine, Mr Nick Catania, said in the *Guardian Express* on 22 October. He referred to the David Irving issue and said -

> No amount of support for free speech can justify issuing a visa to extremist British historian David Irving.
>
> To open the door to this opportunist who claims the holocaust has been exaggerated - indeed, that Hitler never ordered the extermination of the Jews - would be an act of treachery towards Australia's Jewish population.
>
> It would arouse memories of pain and suffering over what happened in World War II while, more dangerously, inciting anti-Jewish sentiment. . . .
>
> The former Labor government twice refused entry to Dr Irving on grounds he failed the public interest test of good character. . . .
>
> Dr Irving has a criminal conviction to his name in West Germany (for defaming the dead), has been deported from Canada for breaking immigration regulations, was refused entry to Italy and South Africa and was found in contempt of court in Britain.
>
> No amount of belief in the democratic right to freedom of speech can negate these facts about Dr Irving or his links to neo-Nazi groups. . . .
>
> Lifting the ban will be tantamount to saying prejudice and racism is allowed in Australia.

I hope this House supports those comments by the member for Balcatta. This should be a reasonable, rational debate and should include members from the other side of this place. I do not know any member opposite who is prejudiced, bigoted or in any way racist. There is no difference in our beliefs about migration and the centrality of our positions. There may be differences at the edges about how many people we should let into this country for economic and management reasons. However, at the end of the day there is enormous commonality of opinion and that should never be threatened by anything.

Anyone who saw "60 Minutes" on Sunday night will understand that Pauline Hanson expresses the views of a fundamentalist. She wants to retreat into the past. In my view, fundamentalism is connected to economics. People are attracted to fundamentalism because they have lost economically. They cannot stand the economic uncertainty that the future may hold. They do not know how to succeed in the new era ahead. These people retreat to fundamentalism or the past in an attempt to secure for themselves and their families a future based in the past. They feel threatened, their values which they cherish are questioned, and they do not know what they have to do to succeed. It is probably summed up best by the fact that humans hate change; they hate their environment to change and they like watching others change while they do not.

Periods of uncertainty and change often, if not always, give rise to fundamentalism. At the moment in our society, as in many western societies, we have times of real wage reduction. Many people feel they are losing in the game and that there are more losers than winners. They feel also that there are not enough good, secure jobs to go around. Many of their friends and acquaintances have the same concerns. They then band together and attempt to fight a common foe, often out of fear rather than out of reality. However, finding a common foe which will allow them to distance themselves from the fears or realities of the future is not just a phenomenon in Australia. In Spain, the Basques do not want to be ruled by Madrid. The French Canadians want a different nation because they speak a different language. In France, the Bretons want more local power and the Corsicans want more independence. In the United Kingdom, the Scots and the Welsh want more local autonomy. That fundamentalism, involving a return to ethnic background, is probably caused by the fact that we no longer have a uniting ideology or overriding religious commitment. Our security, in its many forms, is questioned. The guaranteed purpose of our communities is being lost and we are becoming far more individualistic and less group oriented. In such times, fear takes over.

The current debate on this issue in our nation is warranted. Politicians have a crucial role to play in the debate. However, there should be some fundamental guidelines. We should not be driven by opinion polls. We should accept some basic principles of our liberal democratic society. Without wanting to bore members, those principles are that all people are created equal; the minority have rights; and we, as politician, have an obligation to protect them. We must also question every issue. However, that debate should be rational, logical and informed and, above all, as free from emotion as possible.

Pauline Hanson has a right to her view. I do not share that view and I will say so on as many occasions as required. I hope everyone shares my view on that matter and repeats it as many times as possible. Ms Hanson has the right to say what she thinks and her supporters have the right to say it also. There is no doubt that our nation faces a challenge. People should not hide from this debate about migrants and Aborigines. Those people are all part of our Australian society. I will defend them at every opportunity that is available to me, as I am sure many in this place will.

The debate must occur. It is in full stride. It has to be won. It cannot be skirted around. The debates on the reformation and the white Australian policy had to occur. They were not skirted around and they were won. I should comment on the views of Pauline Hanson and those of people like her in and out of Parliament. In my view, Ms Hanson is using the privilege of Parliament, which members will recall was won after numerous gallons of blood were spilled, to attack those Australians in our society who are unable or unwilling to attack her narrow and lopsided view of Australian society in 1996. However, she can have those views.

It is not incumbent on us to attack members opposite about this matter. In fairness, the Premier has done a reasonable job on this issue. I do not agree with the way the Prime Minister has handled it. However, that is a personal view. My view - I am sure it is the view of most people in this Chamber - is that we should believe in immigration; we see its necessity and we believe that there are many in our society, particularly disadvantaged Aborigines, who must be supported by the State. Let us at no time forget that, because to do so would be enormously destructive. Let us have this debate and let us win it and keep Australia as a multicultural society, as it has been for the last 200 years. It has been a melting pot that has worked very successfully.

HON REG DAVIES (North Metropolitan) [3.00 pm]: I also thank Hon Sam Piantadosi for bringing this issue to the Parliament. It is important that an Independent member moved this motion. As an Independent member I am embarrassed for Ms Hanson and certainly do not support her views. I support the belief of this democracy that everyone has the right of free speech. However, hand in hand with rights go responsibilities. Pauline Hanson has a responsibility to speak responsibly and informatively and not in ignorance and bigotry. She speaks on issues in which she has had little education. She has now gone beyond Aboriginal affairs and immigration and has branched out to chemical castration and the Sydney Mardi Gras, and has indicated on "60 Minutes" that she subscribes to many of the conspiracy theories. It merely exposes the uninformed nonsense she speaks and reveals how naive she is. Her views remind me of Hitler's quest for the perfect Aryan race.

Hon P.R. Lightfoot: That is a bit hard.

Hon REG DAVIES: Hon Ross Lightfoot may be close to her, bearing in mind she was preselected by the Liberal Party as someone it believed was worthy to be a federal member of Parliament.

Hon Derrick Tomlinson: The Liberal Party has a record of selecting people who subsequently become Independent.

Hon REG DAVIES: Only the other evening at a function someone asked me to recommend a branch of the Liberal Party which he could join. I said, "Why the hell do you want to join the Liberal Party?" He replied, "So I can resign and become an Independent." That is what people think of the Liberal Party. I will not get into that issue but will return to the motion before the Chair.

If members opposite believe in what Ms Hanson expounds in the Parliament they should by all means write and let her know.

Hon Derrick Tomlinson: I believe in her right to express her belief.

Hon REG DAVIES: I believe that too, but she should be informed. As a federal member of Parliament she has a certain responsibility and it is a greater responsibility than expressing her personal views or being an owner of a fish and chip shop in Queensland. She should not bring her personal views and the views of the fringe elements of society into the federal arena. She has been elected to be a responsible federal member of Parliament and to represent the views of the country. In a global sense her views could very well influence trade, migration programs and tourism in this country. This country's world standing and the respect it has from other nations could also be affected. Ms Hanson has a responsibility to be a leader in areas where racism is not promoted. I will not blame Ms Hanson for Australia missing out on a seat on the United Nation's Security Council yesterday, but if her xenophobic views are embraced by the media, people could be forgiven for believing they are the views of the average Australian citizens.

Hon P.R. Lightfoot: She was definitely responsible for the thunderstorm we had last night!

Hon REG DAVIES: No, it was Noel Crichton-Browne's fault!

I know that thousands of Australians agree with her. Each day I have arguments with people who believe that because a federal Independent member makes uninformed statements to the media and in the Parliament that all Independent's embrace her view. I want to distance myself from her and her views. Ms Hanson exposes herself as ignorant and having a poor grasp of the wider good of this country that she calls home.

Hon P.R. Lightfoot: You are being very generic. What in particular does she not have a grasp of?

Hon REG DAVIES: The whole spectre of areas she discusses, and certainly the Asian issue. There are concerns within the community that the boat people are coming into this country. Most people share those views, but she goes further by saying that we are being overrun by Asians. That is not the case. Her views are uninformed and I think she is being steered by people who are a little smarter than she is. People from the extreme right are using her as a pawn to put their views forward to the citizens of this country.

Hon P.R. Lightfoot: The former Labor Party member, Graeme Campbell, perhaps!

Hon REG DAVIES: Certainly he is one and I am sure there are others in the background. I find it very difficult to convince the people to whom I speak that she is wrong. I believe she is wrong in what she is saying.

One good thing that has come out of this is that she has raised the issue of Aboriginal funding. Out of that there may be an investigation into where the money goes and perhaps, in the long term, efforts will be made to ensure that the money goes to the people in the Aboriginal community who need it. I advocate that this House send a clear message to Ms Hanson that it is not in the interests of the country for her to continue along these lines; that is, getting back to the £10 pom and the Ding, the Dago, the Chink and the Wog bashing days of the past. People were punished simply because they could not speak English properly or the colour of their skin was different. I had hoped we had progressed from that stage, but it does not appear to be so. There is a saying that is along the lines, "He who knows not and knows not he knows not, he is a fool, shun him." I suggest that that applies to the Independent federal member of Parliament Pauline Hanson.

HON GRAHAM EDWARDS (North Metropolitan) [3.08 pm]: I do not intend to talk for very long because I want to make sure that Hon Max Evans is given the opportunity to speak.

There is a need in this country for great leadership. I am disappointed that more members of Parliament are not taking a lead. When Hon Sam Piantadosi moved this motion it was only the members on this side of the House who rose to their feet in support of him. I do not say that in a strictly political sense, but if there is to be this leadership and we are to have this debate, it must involve bipartisanship. Members from both sides of politics must be prepared to stand to enable this debate to be held in such an environment.

I am particularly proud to be a member of the Labor Party. Members on the Labor side of politics have confronted the issue of racism and have been prepared to stand in the community as a party. I want to be associated with the remarks of Nick Catania, who has very strongly expressed his sentiments about David Irving. He has said that if somebody can deny that the Holocaust took place, he is denying history and has no right to be in Australia. I very strongly support Nick Catania's comments. Generally, I feel strongly about freedom of speech. However, in this instance who could deny that Nick Catania is wrong? He is right. Nick Catania was born in Italy and came to this country aged five years, and I understand that he was the first Italian-born member of the Legislative Assembly in this State. When people like Nick have the courage to say to the David Irvings of this world that they are not welcome in Australia, it is incumbent upon the rest of us to take notice.

I abhor the sorts of things Pauline Hanson has said. If people want to attack the Asians living in this country, they should reflect on history, and that involves going back to the Vietnam War. If we had not interfered with that country's internal politics, we would not have the current number of refugees and Asian migrants living in Australia; it would not have happened because what eventually transpired in Vietnam would not have occurred. When one remembers that we were involved in Vietnam simply because of politics, I find it incredible that people like Pauline Hanson make such statements. This young woman says that every young Australian, male and female, should be conscripted into the armed forces. One wonders what such a person would do with those conscripts once they were in the armed forces. If people such as Pauline Hanson were running Australia, we would repeat the mistakes made those years ago when we involved ourselves in Vietnam.

In relation to leadership, people must stand in their communities and take a contrary point of view in the face of the popular argument expressed by Pauline Hanson. In 1989 I had the opportunity to go back to Vietnam, having served there in 1970, and I went to a place called Long Tan - Reg Davies would know it well. We wanted to conduct a service at a cross set up in the rubber plantation at Long Tan, a place of great significance to Australians. However, a group of Vietnamese people living there said, "Look, we suffered greatly as a result of the war. We lost our sons, husbands, fathers and mothers and we really don't want you to come back into this area and hold a service." I can perhaps understand their feelings; I sympathise with them. Nevertheless, one Vietnamese person, a Mr Huy, a former

Viet Cong unit commander, said, "What happened in the past belongs in the past. We are different from Australians and they are different from us, but somehow we must learn to live together because we all live on the same planet. We are all part of the one human race." That man had great courage as he stood up in the face of the popular opinion of that village. I came away feeling great admiration for that person, and I determined to take his lead when racism debates arose. I am greatly saddened that more leadership such as that displayed by Mr Huy is not seen. I feel humbled by his stand.

As members of Parliament, we have all been elected to take a lead in society and in debate. We should have the courage, even on such popular issues, to stand up to views such as those that have prompted this motion. I am appalled by the attitude and the remarks of people like Hanson, the Mayor of Port Lincoln and others. I hope that every decent, free-thinking politician - I do not care from which party he or she comes - will have the courage to say to the Pauline Hansons of the world, "Get out of politics; there is no place for you."

HON MAX EVANS (North Metropolitan - Minister for Finance) [3.14 pm]: I support Hon Sam Piantadosi's motion. David Irving made an application to the federal Minister for Immigration and Multicultural Affairs two weeks ago to attend a meeting in Australia, but no dates to travel in this country have been given. I will suggest to our Minister for Multicultural and Ethnic Affairs that he write to the federal Minister opposing this application on behalf of the members of this Parliament. I suggest to Hon Sam Piantadosi that we develop a groundswell of support for his views among the community groups because we know that politicians react to such things. We should make our views known in the media.

I will not repeat the things said about David Irving and the problems he has created in other parts of the world. Strangely, the Agriculture Protection Board can stop diseases and animals coming into this country, and Customs can stop drugs, yet a person who can cause as many problems and as much harm to the community as any of the drugs and feral -

Hon Sam Piantadosi: Feral is the right word.

Hon MAX EVANS: I will be following up that matter. On 5 October the Premier, in a strong statement on Channel 2, indicated that he did not support David Irving's application to come to Australia. We commend the previous Federal Government for keeping him out of the country.

Hon Sam Piantadosi began his speech by talking about his ethnic background, and people of the member's background are great workers. When they arrived in this country, no dole could be obtained and they had to fight to survive. They took any jobs they could find, such as burning timber around the countryside, and they did not want social service or the dole as they had a strong work ethic. A wonderful example of this was the Italian Apprentices Awards the other night at which 600 children of Italian decent graduated, of whom 30 came up for final awards. These apprentices included mechanics, hairdressers and cabinetmakers, and I spoke to almost every one of them. They were fantastic people with proud parents and employers. Like many migrant groups, they have made a great contribution to this country.

The criticism of recent years is that the new migrants expect the dole and welfare immediately upon arriving in Australia. Taxpayers say, "I am paying a lot of tax, but I am paying more so these people can come into Australia." It is seen as a cost to the community. People must recognise the contribution they make to our country rather than what they take from it. The migration debate, which has been ongoing for as long as I can remember, is very worthwhile. The Government has implemented specific initiatives which support multiculturalism. In March last year the Premier launched the first written multicultural policy, WA One. The purpose of this policy is to assist the Government to manage cultural diversity in a way which maximises the cultural, economic and social benefits and maintains community cohesion and social harmony. The policy release demonstrated the Government's real and serious commitment to multiculturalism, proved by the emphasis in WA One on the obligation on government departments to deliver culturally appropriate services to all members of our multicultural community.

The Government has also endorsed a language service policy to ensure that state government services are accessible to all Western Australians. The departments are required to provide translating services where needed. To assist clients who need the services of an interpreter, the WA Interpreter Card has been developed and distributed by the Office of Multicultural Interests to ethnic communities through the peak bodies.

The Government has also increased the annual grant to the Ethnic Communities Council of WA to $80 000 to enable it to provide a consultative advisory service. As announced earlier this year, Celebrate WA is the result of the amalgamation of Multicultural Week and WA Week. Also, as part of the International Year of Tolerance celebration, the Government has provided $150 000, which, together with generous support from the Lotteries Commission, has provided the opportunity for public libraries throughout the State to establish language learning resources centres for people from non-English speaking backgrounds to improve their language skills. This is very important from the

Government's point of view because most of the migrants who come to this country are from non-English speaking backgrounds. In the early days, the majority of migrants had Anglo-Saxon backgrounds - from England, Wales and Scotland - and a smaller number were Europeans, and they also had a language problem. Most of the migrants today have a language problem, and we recognise that and are trying to help them. I thank Hon Sam Piantadosi for bringing on this debate. We are right behind his comment that David Irving should be kept out of Australia.

HON J.A. SCOTT (South Metropolitan) [3.21 pm]: I want to add from the crossbench, from the perspective of a small party, Greens (WA), that we too are concerned at the reaction in Australia recently to the so-called racism debate. I support Hon Sam Piantadosi's motion that David Irving not be allowed into this country. Prior to Pauline Hanson being raised to a position of national prominence, I thought we should let David Irving come in and be disgraced on the arguments that he presents, because they are obviously fallacious. However, in the current climate, that would be a dangerous proposition.

We need to work out among the ethnic groups in Australia, using logical argument, the way forward from here, because multiculturalism has added a huge amount to the Australian lifestyle. I come from a town called Fremantle, which benefits greatly from multiculturalism. People in Fremantle have come to enjoy many economic and social benefits, and many wonderful customs, such as the blessing of the fleet, which occurred last Sunday. These events draw the community of Fremantle together. The Fremantle City Council should be congratulated for its efforts over many years to enhance multiculturalism and to get the best out of all the cultures that comprise our Australian culture; and I include the original inhabitants of Australia, the Aboriginal people. A statue on the Esplanade in Fremantle commemorates an event that occurred in the past, where some white, early residents of Australia were killed. A plaque on that statue represents both the Aboriginal perspective and the perspective of the people who put up that statue.

By looking at the argument sensibly, we will see that the only way forward is to take what is best from each culture and disregard those things in our culture which are holding us back. We cannot learn if we do not allow outside influences to show us new ways and new paradigms. It is a worthless exercise for people to use racial difference as some reason to discriminate against other people. That occurs only when people are feeling hard done by for some reason. We need to examine why people in Australia are feeling so hard done by that they have to hit out at someone else. I believe it has much to do with the fact that egalitarianism in this country is gradually disappearing - we still seem to have a measure of it, thank goodness - where all people feel as important as others in this country regardless of their wealth, colour, gender or sexual preference.

The importance of the current debate is that we now are approaching the end of this century, and we are approaching a time when the nation of Australia should grow up. In order to do that, we must discard prejudices that have no basis in reality. As Hon Reg Davies pointed out, the problem with the argument put forward by people like Pauline Hanson is that it is just not correct to say that we are being overrun by Asian people, because the level of Asian migration to this country is not anywhere near the level of Anglo-Saxon and European migration. The figures are there for all to see.

Hon John Halden: She does not believe the figures.

Hon J.A. SCOTT: Perhaps she has a problem with figures. She may not have been good at mathematics at school. I was not very good at mathematics at school either, but I find it easy to add up those figures and see that Pauline Hanson is clearly wrong. We should not be sidetracked into debating issues and getting stuck into the Pauline Hansons and David Irvings of this world. We should get stuck into the falsity of the argument and drag out the facts and put them before the people whom we represent as members of Parliament. A courageous stance must be taken by all members of Parliament who truly believe that we should not be racist or prejudiced in any way. Bipartisanship is not quite the right word any more, but a multi partisan approach is essential. It underpins the argument that for all of us, with our different views, to agree to not give in to prejudice is exactly the same as for all of us to say that it is wrong for people to be regarded as less worthy because they are different. In the same way, we in this place have different views, but at the end of the day we are able to accept those views and agree that we should all be here, even though we may be struggling shortly to prevent each other from getting into this place. It is important that a multi partisan approach is taken by this House, and also by the Federal and other State Governments.

[Resolved, that debate be continued.]

Hon J.A. SCOTT: If we achieve consensus, without any sniping to gain a political advantage, and despite an election in the offing, we will have done a great service to the local community and to Australia as a whole. I am very pleased to hear the approach taken by speakers so far. I support the motion moved by Hon Sam Piantadosi, and look forward to a sensible change in the way interracial relationships are viewed in this country.

HON P.H. LOCKYER (Mining and Pastoral) [3.30 pm]: I wish to comment quickly, because I know that our time is limited. I thank the Leader of the House for allowing us to continue this important debate. I thank Hon Sam Piantadosi for bringing the matter to the House to give us the opportunity to discuss it, because it is worthy of discussion. For a number of reasons, I do not agree with the first paragraph of his motion, which alleges the failure of this Government and its federal counterpart to provide leadership on the racism debate which is dividing the community. First, both Governments have provided plenty of leadership, and, secondly, the debate is not dividing the community.

I do not agree with many aspects of Pauline Hanson's maiden speech. However, I respect her right to make those comments. This is a free country, and we can make whatever comments we like.

Hon John Halden: Is this a Voltaire speech?

Hon P.H. LOCKYER: It is not. I did not think the member could spell the word, let alone think to refer to it.

In defence of Pauline Hanson's comments, we have forums such as Parliament to rebut such comments. I obtained a copy of the federal *Hansard* because I wanted to know exactly what she said. Her bitch about Aborigines was that all the money which is being given to them had not reached the people who needed it most. Many members would agree with that argument. I have never met anyone who would deny the provision of public money for needy Aborigines. Some people object to the way it is wasted, when they receive it; or to the way many people - including white people - suck up the money before it reaches the people who need it for health, education, housing and so on.

I abhor Pauline Hanson's comments about Asian immigration. Asian migrants to this country have proved to be a great success. They have given an incredible exhibition of how to integrate properly. They have certainly shown us a thing or two about working hard. I will not stand for any criticism of Asian immigration, because the level of immigration is sensible and those people become first-grade citizens.

As to David Irving, I think he is an idiot. Anyone who travels the world saying that there was no Holocaust should visit Poland and see some of the museums. I cannot understand how David Irving can convince people to accept that he has any credibility.

Hon Reg Davies interjected.

Hon P.H. LOCKYER: He is an idiot, but people invite him to speak. In due course, the powers that be will decide whether he can enter Australia. The appropriate decision will be made, but I hope that we keep him out of this country forever. If he is allowed in, I hope that people stay away from his lectures, or that he will provide a question and answer session so that we will be able to tell him that he is an idiot. Fair dinkum, I cannot believe this. It is like the flat earth society - some people say that the world is flat! It is an incredible argument. However, like Pauline Hanson he attracts a lot of publicity, mainly because we have not allowed him to enter Australia. If he had been allowed into Australia in the first place, we would never have heard of him again.

Hon John Halden: In Canada, he has become a nuisance.

Hon P.H. LOCKYER: I suppose he is a nuisance.

Pauline Hanson will be here today and gone tomorrow. People cannot continue to receive publicity without any substance to their arguments. I do not agree with Hon Jim Scott very often, but I do on this occasion. Many of her arguments are pure nonsense. The other night I watched her on "60 Minutes". When some figures were cited, she said that she did not believe them, even though they were provided by the Australian Bureau of Statistics. We hate to believe many things in this world. For instance, every time I look at the bathroom scales in the morning, I hate them.

Hon John Halden: Do what Pauline Hanson did - throw away the scales!

Hon P.H. LOCKYER: In the member's case, he would not use the mirror a lot, and I can understand why.

I disagree with Pauline Hanson's comments on Asian immigration. It was all nonsense. These people are some of our best citizens. Perhaps we should use forums such as this more often to debate such matters.

HON SAM PIANTADOSI (North Metropolitan) [3.36 pm]: I thank members for their contributions. I wish to clarify a few points: The Government's statistics on Asian immigration are a little misleading, because included in the category of Asians are people from the Mediterranean - that is, those from Lebanon, Israel and all the countries east of the countries deemed to be Asia. That is the entire area used to calculate the statistics on who is an Asian.

Hon P.H. Lockyer: And Sicily.

Hon SAM PIANTADOSI: Not Sicily.

Hon Kim Chance: Does that include Turkish and Iranian people?

Hon SAM PIANTADOSI: Yes. They are included in the category of Asians. If Pauline Hanson considers only Chinese or Vietnamese people to be Asians, the figures she quotes from must be very wrong. The Government's statistics cover all the people from the shores of the Mediterranean to the east. Therefore, she can be very misleading when she quotes her particular figures. The only way to determine the correct situation would be to make an assessment, country by country, to arrive at the real figures.

I am very glad that members have supported the motion. Pauline Hanson has a right to make any comment, but with that right should come some responsibility for the consequences. Her original comments generated comments by the Mayor of Port Lincoln, which was closely followed by debate regarding David Irving's entry to Australia. My fear is that the community has become divided on those issues. In future, I wonder how many more people such as the Mayor of Port Lincoln will add fuel to the debate. I fear the division in the community caused by the intended visit by David Irving and the comments by Pauline Hanson which were taken out of context by a number of people. Pauline Hanson knew what she had in her mind and what her intentions were when she made her original comments. However, the people who take up her argument on certain issues do not necessarily have the same intention. Again I remind members that David Irving said that he would move from town to town, create chaos, and move on. He would not be responsible for whatever happened in the towns when conflict began. We would have no way to control the situation. Obviously, he would not be interested. He intends to visit Australia, create chaos and division within our society, and move on. As members of Parliament, we, and our federal counterparts, will be left with the problem. Victorians would have the same problems. As legislators we represent neither just Liberal or Labor supporters, nor just Aboriginal people, the Jewish community, or Italians. We represent all people and it is our responsibility to ensure that the likes of Irving do not get a berth in this country. Evidence suggests that plenty of people like Irving will emerge over the next few weeks; therefore we can well do without him.

[The motion lapsed, pursuant to Standing Order No 72.]

ACTS AMENDMENT (ASSEMBLIES AND NOISE) BILL

Second Reading

Resumed from 26 September.

HON J.A. COWDELL (South West) [3.42 pm]: I was immediately attracted by this Bill when I read its title. I felt sure it would curtail Hon Derrick Tomlinson and that may be worthy of support in this Chamber! However, on reading it closely I gather it is more directed at rave parties than individual efforts.

The Opposition supports this Bill and concurs with many of the comments in the Minister's second reading speech. The Minister noted that in recent years the emergence of so-called rave parties has highlighted the need for more effective legislative control of after hours noise and the use of unsafe premises and public assembly areas. It seems that the legislative action has been delayed almost until the fad has passed. The Minister commented on the efforts of the working party, which included representatives of the Departments of Police, Health and Environmental Protection, the Western Australian Municipal Authority and several environmental health officers from local metropolitan authorities.

The working party reported in June 1994 recommending, among other things, amendments to the Health Act 1911 and the Environmental Protection Act. A long period has elapsed since that working party report in 1994. Some things have happened in the interim. The committee to coordinate large functions was established in 1994 and operational guidelines for rave party concerts and large public events were drawn up. The working party has obviously had some impact and should be commended. However, we have reached the stage where we must address these deficiencies by legislative action.

The Bill is in three parts. Part 2 provides for a number of amendments to the public buildings provision of the Health Act 1911.

Sitting suspended from 3.45 to 4.00 pm

Hon J.A. COWDELL: The Opposition supports this Bill as it will provide a better deal for noise victims. We have all been noise victims from time to time. The Opposition has no objection to the changes proposed in part 2 of the Bill which, notably, provide for amendments to be made to the Health Act to give local government officers, police officers and other persons authorised for the purpose of those provisions more control mechanisms. I note that the definition of "public building" in section 173 of the Act will change to cover policing and control arrangements. An amendment to the Health Act will provide for regulation of events intended to be held in venues other than buildings. The Minister stated that control mechanisms available to authorised officers under section 173 of the Health Act

provide for only an authorised person to give a direction, among other matters, to close a public building while the building is in use and is found to be overcrowded.

The Opposition supports the worthwhile change proposed in clause 5 that judgments can be made in advance where there are likely to be problems, rather than taking action when it may be too late. The Opposition also supports a further provision to deter promoters of assemblies from continuing to promote an event at a venue that has been closed if such action would constitute an offence with an increase in maximum penalties from $10 000 to $15 000.

Part 3 of the Bill contains amendments to the Environmental Protection Act and clarifies the definition of "unreasonable noise". That is worthwhile in ensuring more adequate provision is made for the protection of the general public. Of particular note is clause 10, which inserts a specific provision to enable equipment involved in the generation of unreasonable noise to be seized and held for up to seven days. Most of those changes are straightforward and worthwhile as are the changes in clauses 11, 12 and 13, which give police the same status as authorised persons under the noise provisions of the Act. Over the years I have had complaints by police officers and certainly other officials, whether from local government or the Department of Environmental Protection, that they have been unable to act effectively in this regard.

The Opposition supports the Bill, which seeks to provide a balance between the interests of residents and the wishes of young people for a preferred form of entertainment in the form of rave parties. We should not be so restrictive as to outlaw or unduly impinge upon this form of entertainment. However, we must provide that balance and provide relief for those who are adversely affected by immediate noise in residential areas, although I note that many of these rave parties are held in industrial areas.

This Bill provides for health and safety provisions to apply to protect patrons and participants in rave parties. The drugs element at rave parties is of concern. However, that is an issue to be dealt with separately and not by using, say, this Bill as an means of closing down rave parties. Members will be aware from the reports in the Press that our intrepid investigator, Mr Catania, a member in another place, disguised himself as a callow youth to attend one of those rave parties, and his cover was blown, according to an Alston cartoon, only when he asked the disc jockey to play a Perry Como record. Nevertheless, armed with this essential first-hand information the Opposition is able to offer its views on this legislation. I note that other members on this side and those on the government side have not been able to bring forward this sort of first-hand expertise in addressing the legislation. I am not sure that any of my colleagues in the Council can bring forward this expertise, so we must rely on the vivid accounts of Mr Catania in this regard to ensure that what we are doing is sound.

The Opposition sees merit in giving police officers increased powers to deal with breaches of noise regulations and to seize equipment - which seems the only effective means in many instances - to ensure the suitability of venues and to take action prior to the commencement of a party or function rather than halfway through. I do not wish to give the wrong message about heavy-handed action on the part of the police, we have seen some instances where this has gone astray recently in Queensland.

This legislation deals with only part of the problem. Noise regulations need to be more thoroughly reviewed. Members will be well aware from the range of complaints from their constituents that regulations need to be adjusted as industrial areas are developed and encroach upon residential areas. There is also the problem of various entertainment venues. We have seen examples in the city, such as Gobbles Nightclub vis-a-vis the Homeswest development and the incompatibility of immediate use. Reference was made only yesterday to the East Perth Redevelopment Authority, which will have responsibility for Northbridge and the tunnel area. I also note that there is likely to be some difficulty with the new super nightclub opening on Roe Street, which members can see from the portals of our Chamber. Of course, that is right on the doorstep of the new housing development on the old Perth City Council depot site. That will be an interesting arrangement to be resolved and the regulations may need to be adjusted. Of course, there are also the perennial problems of construction noise, hours of work in industry and airport noise - although the situation in that regard in Western Australia is not as acute as in the Eastern States. So, some problems still have not been entirely addressed in the current regulations.

I understand that an ongoing review of the noise regulations has been undertaken and that this is the first product of that review. Obviously we will look for some assurance from the Minister that we will have further instalments updating the noise regulations in the near future. Mention was made in May of amendments to noise regulations. I do not know whether the Minister was envisaging this legislation. However, we hope that progress will be more rapid than the two or so years it took for this issue to move from preliminary report to legislation.

On behalf of the Opposition, I commend this initiative. However, we look forward to further initiatives in the immediate future to deal with some of the problems that are perhaps not adequately dealt with by the current regulations covering industrial and residential areas, entertainment impinging on residential areas, construction noise

and the particular concerns with both Perth and Jandakot airports. Concern has been expressed in this House about where the new light airport will be placed. I commend the Bill to the House.

HON KIM CHANCE (Agricultural - Leader of the Opposition) [4.10 pm]: I will be brief, and I am prepared to share with the House the reason I will be brief.

Hon Peter Foss: Will you put money on it?

Hon KIM CHANCE: If the Attorney General intends to put money on this, I advise him to go towards the short end of the field.

I will be brief because when the Opposition made its decision on which members would have carriage of the Bill and who would speak, we decided that because it amended both the Environmental Protection Act and the Health Act it would be dealt with by Hon John Cowdell and me, being the respective spokespersons in those areas. I made a judgment that it was primarily an environmental issue and I assumed that Hon John Cowdell would lead on it. However, when the honourable member leads on a Bill he is extremely thorough and effective. As a result, he has dealt with all the health aspects as well, so this will not take me very long at all.

Hon J.A. Cowdell: You do have only 45 minutes and that is probably just sufficient.

Hon KIM CHANCE: I understand the restrictions. I will confine myself to addressing the culture of the Bill. This Bill says something very good about the maturity of our society. Indeed, Hon John Cowdell touched on that matter towards the end of his contribution. Given the sometimes rabid and almost always unfair coverage of rave parties, a few years ago they would have become the victim of public pressure.

Hon Peter Foss: This is not confined to rave parties.

Hon KIM CHANCE: I understand that but they form an important component of the Bill.

Rave parties would have been effectively outlawed or public health regulations would have been changed to make such occasions impossible to conduct. It is a compliment to the maturity of our society that it has been able to accommodate the expression of youthful exuberance that we see at rave parties and events of that type.

Hon Peter Foss: They have been so accommodated that they have gone out of fashion.

Hon KIM CHANCE: That can always happen. If one tries to legislate things like this out of existence one can sometimes breed a problem that was disappearing in any event.

I compliment the Government and particularly the public servants who were involved in the working party and who not only combined to produce a set of recommendations for legislation and regulations that can accommodate such events in the safest way possible but also assisted in the coordination of those events. Although I have no personal knowledge of them, unlike the member for Balcatta, Nick Catania, I understand they have been able to do that very well. I must add that Nick Catania does not confine his after dark activities to rave parties when it comes to gaining first-hand knowledge of events. Last year when there was a great deal of media coverage about difficulties occurring in late night events in the Geraldton area, I invited Nick Catania to come up and to speak to a number of people in his capacity as shadow Minister for Police. So enthusiastic was he about doing that, that he wandered the club circuit until about three o'clock in the morning to observe it at first hand. There is no record of him inviting the local discos to play Perry Como records and I was able to suppress a very nasty rumour about his making a recommendation at the Tarcoola Tavern that a Val Doonican piece be played. There is absolutely no truth in that whatever.

Hon Peter Foss: It was on the juke box, wasn't it?

Hon KIM CHANCE: I believe it was, and he said that he had no 50¢ pieces left.

The DEPUTY PRESIDENT (Hon Barry House): Order! It is against standing orders to reflect on members in another Chamber.

Hon KIM CHANCE: Thank you, Mr Deputy President, for reminding me of that.

I commend the Bill from the point of view of the protection that it provides for the health and welfare of the public at functions such as this. I mean that very seriously. I referred to some of the media coverage as being generally unfair. Given the scale of these events, it was unfair to isolate some incidents and the elements of drug abuse that were visible. The vast majority of young people are able to conduct themselves properly. I know they face exposure to drugs and, because of their illegal nature, the effects of those drugs can be extreme. Nonetheless, if events like this are catered for properly, needless tragedies can be avoided. I believe if we were to take away functions of this type, neither drug abuse nor the exchange of drugs would end; they would simply occur in a different place. That is why I have been inclined to be complimentary to the Government for introducing this legislation in this form.

Like Hon John Cowdell, I endorse the commendation of the inclusion of clauses 11, 12 and 13, which give police the same powers as persons authorised under the Act. That is a very reasonable provision. A large public event does not mean only a rave party. It may be a wedding party in Mosman Park that has got out of control, for instance. It would be unreasonable in some circumstances to expect an officer or officers of the Health Department or the Department of Environmental Protection to front up to a situation and demand that unacceptable conditions be modified or cease. It is difficult enough for the police to go into the function and ensure the right thing is being done, and next to impossible for an officer who has training in his or her field, but is not a law enforcement officer and, as such, is simply not equipped - it would be unfair to expect them to be adequately equipped to deal with these situations - to confront the public in a matter like that. I support that view, as did Hon John Cowdell.

In summary, the Opposition is pleased to support the letter and spirit of the legislation.

HON PETER FOSS (East Metropolitan - Attorney General) [4.24 pm]: I thank the members for their contributions. This legislation is not directed at only rave parties; it is directed at any form of excessive noise and, in particular, it has means of dealing with noises emanating from large aggregations of people. Peculiar problems are associated with dealing with those issues, and they have been brought forward by Hon Kim Chance. The reason for passing these powers to the police is obvious: We do not want a situation where people who have no experience in dealing with large numbers of possibly excited people, could use the powers in a way that might aggravate the situation.

I agree that the way in which the matter has been handled by the professionals involved is to their credit. It is interesting that rave parties have become out of date, out of fad. Had a more high-handed attitude been taken, where there was an attempt to suppress them, I am sure the interest in them would have been maintained and, as Hon Kim Chance has said, they would have been driven underground and sent to other places; whereas, by allowing the fad to work its way through in a controlled way where we tried to minimise any harm that flowed from it, generally speaking what was seen to be possibly a major difficulty in our society has to a large extent been moderated.

Hon John Cowdell referred to noise regulations. Both the noise regulations and this legislation have been subjected to significant public consultation. The noise regulations are virtually ready to go out for final consultation. They have been backwards and forwards on a number of occasions. They are effecting a radical change in the way the regulations work. The regulations we have had for some time have been fraught with problems. We have consulted extensively about those noise regulations and tried to deal with the problems that have arisen. We have tried to deal with the regulations so that the authorities that have the obligation of dealing with planning must also take into account the consequences of noise.

Of course, we had a difficulty that sometimes the problems, which must be dealt with by the Department of Environmental Protection, have been created by zoning changes without any consideration of the consequences of those changes or of the people involved; either those moving into an area thinking the new zoning will guarantee them a particular lifestyle or those in the area who will be affected by the zoning change. As in so many environmental matters, I believe these matters must be taken into account before other elements of Government take their measures.

As I say, those regulations should be going out for final consultation very shortly. Consultation has taken place all the way along. We consulted, to a large degree, with representatives of local government because that area is probably affected by noise regulations more than any other. I do not see any further amendments being made to the legislation. The only one to be affected relates to the noise regulations. We still have a problem with noise at airports. We will be taking that up through the National Environmental Protection Council, the appropriate forum in which to address this matter. It must be dealt with on a national basis. I think I have indicated to this House before that I am concerned about all aspects of the Commonwealth's jurisdiction in the area. Whether it is to do with noise or ground pollution or planning, the Commonwealth must work in with the States to make sure we do not end up with an aggravated situation.

Hon J.A. Scott: There have been changes made in that respect at the federal level. The amendments put forward by Dee Margetts go to some environmental protection plans.

Hon PETER FOSS: The federal Minister for the Environment, Senator Robert Hill, has indicated he will be subjecting commonwealth agencies to state environmental laws. That does not necessarily extend to planning laws. It is not necessarily an answer to say that an agency is subject to the environmental laws, because a project should not be planned the wrong way in the first instance. The Commonwealth must do the same thing as we have done; that is, to make sure the planning process takes into account environmental considerations. If all the planning has been done and if environmental matters have not been taken into account, the agencies end up with confrontation.

It is a step forward to make commonwealth agencies subject to the state environmental laws. That would be a marked improvement on the current situation. I cannot give any major assurances about airports until such time as it is tackled on a national basis. However, it is capable of being dealt with through the NEPC. I believe there should be

a national standard to deal with the question of aircraft noise and some other instances are even more aggravated than ours; Sydney airport is a well-known example of that. We must tackle that problem as a nation because if a plane is flown from one place to another in Australia, presumably it should meet the same environmental standards, no matter where it goes. I hope that can be tackled on a national basis rather than on a State by State basis. That may be wishful thinking on my part, but I believe that is a classic example of where the Federal Government must take responsibility and where we as a nation must deal with it so that we have one standard that applies everywhere.

I am grateful for the research of Nick Catania, the member for Balcatta, on this matter. Perhaps Hon Bob Thomas would have been a suitable substitute in this House. I am not sure how many others of us could have been taken as callow youths at a rave party.

Hon Bob Thomas: If I want to see what a rave party is like, I just go into my daughter's bedroom when she has friends over.

Hon Kim Chance: I've been to the OBH for the Sunday session. Does that count?

Hon PETER FOSS: I am sure it does - and the member supports these amendments. In this legislation the Government has tried to strike a balance between looking after the public interest and not being too heavy-handed. I do not believe we can protect entirely against an officious official. If problems arose with an official, measures would have to be put in place to ensure that people did the right thing. That is always the possibility that must be faced when conferring powers such as these on officials. I hope they exercise them appropriately. I think they will; however, that is always a concern. The legislation as it stands has a good balance between the interests of the individual and the interests of the public as a whole. I commend the Bill to the House.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate and passed.

COMPETITION POLICY REFORM (WESTERN AUSTRALIA) BILL

Second Reading

Resumed from 22 October.

HON JOHN HALDEN (South Metropolitan) [4.34 pm]: Although I do not think I am in the same league as Hon Kim Chance -

Hon N.F. Moore: Do you mean league or faction?

Hon JOHN HALDEN: I assure the Leader of the House that we are in the same faction. I was not in the same league of being concerned about deregulation, although I have always believed in the process of regulation. The kernel of this Bill is not so much in the Bill itself or in the second reading speech, but in how sensibly people apply the principles there incorporated. If as a community we are sensible in using this Bill, significant benefits will be achieved from the recommendations outlined by Hilmer and the provisions in the Bill.

Some of the claims about the benefits of deregulation have been wildly exaggerated. I refer specifically to the comments of Bill Scales, the Chairman of the Industry Commission, who states in the "Australian Journal of Public Administration" that when all the reforms are implemented, there will be an increase in real gross domestic product of around 5.5 per cent, or $23b, each year; there will be a greater consumption possibility of $9.6b, or $1 500 for each household each year; there will be real wage growth of 3 per cent or higher each year; and there will be approximately 30 000 additional jobs. We might hope that is the case; however, I think Mr Scales' predictions are unlikely to come to fruition. The enthusiasm with which he has garnered this process to himself should be treated with some caution. There will be significant structural dislocation in this process we are embarking on and in the process we have embarked on already. To think that these will be the benefits up-front is wrong. I hope the State and Federal Governments will not for one second imagine that these are the sorts of benefits that will accrue and rush headlong into this reform process. There must be a far more reasoned approach than that adopted by Mr Scales in his predictions on outcomes.

In this debate one cannot help but reflect on the history of the matter. There is no doubt that the debate predates Federation. As Hon Kim Chance said - I am sure he read my speech and stole my line - the issue of free trade versus protectionism predates political parties as we know them today. The argument about who has held sway in economic policy has varied from time to time. In the past decade and a half the arguments about free trade have been slowly on the advance. A reduction in tariff protection has occurred. We have seen the floating of the dollar and a fair degree of financial deregulation in the banking and other industries. Even public enterprises have been deregulated. That has not happened in this State to the same degree as it has happened in others, such as Victoria; however, there

has been a fair degree of bipartisanism in that approach. One need look no further than the breaking into two of the State's former energy authority and the application of competition between those two authorities.

The argument about how we best gain the benefits from this legislation, without some of the down sides from the consequences, stems from our respective positions about the necessity to regulate at all. I spoke to people this morning who suggested to me that they were in favour of the competition policy, but that for their industry they would want a competition policy like the one the Government is advocating, with quotas. I had a feeling that quotas could be anticompetitive. Discussion is ongoing in the community about how this policy will be implemented. I draw the attention of the Minister to one problem, on which he may be able to advise me. Members will know that for some time I have taken an interest in the Fisheries Department. What will be the implications of licensing rock lobster processors under this policy? Will Western Australia adopt the system that operates in Tasmania and South Australia, whereby the number of processors is unlimited? I understand some of the unlicensed processors work for only a portion of the year and, therefore, the fishermen have no continuity for the purchase of their product. Obviously, when dealing with dead crayfish it is crucial to get them to the market as quickly as possible. In Western Australia 20 processors are licensed. Is there a public interest argument for only 20 licences to be issued? Should the market be open as it is in Tasmania and South Australia? We must be careful in that area.

A range of regulations in the fishing industry currently are an impediment to open competition. I am sure there is some justification for limiting the number of boats, and it is a sustainable argument in the public interest, but is it necessary to limit the size of the boat, as is currently the case? The size of the boat has no bearing on the number of craypots thrown over the side in which to catch crayfish. It is important to indicate the implications of this policy on the fishing industry. This industry probably also highlights the need for the policy. I am sure this legislation will overcome that situation. If it does not do so, I ask the Minister to give further advice on the matter.

The management plans in the fishing industry impose considerable barriers to open competition. Some would argue that many of those barriers are in the public interest. However, I think many are artificial and cannot be justified, although they may have been at one time. There are significant problems in that area. Quite clearly, those in the industry who are allowed to use bigger boats and to be more competitive will have an advantage over those who operate under the regulated regime. The Government must consider the fairness of that arrangement and how it will be managed.

I return now to the history of this legislation. The most significant step in the process was the commissioning of the Hilmer report in 1992, which recommended the extension of the Trade Practices Act to cover government business enterprises, statutory authorities and all unincorporated associations. It meant that the areas which previously were not covered by federal jurisdiction would come under the jurisdiction of the Trade Practices Act. That is the purpose of this legislation. The other step in the process was to initiate a review of the many government regulations and interventions that prevented the market from functioning properly. The report further advocated a fairly radical market model for Australia. The review covered the regulatory restrictions, structural reforms, limits on monopolistic pricing, and competitive neutrality between public and private organisations. In essence, that is the process in which we are now involved.

The implementation of the Hilmer recommendations was delayed for a period and some people in Caucus advocated that the reform process should progress more quickly. Debate took place in the community about whether this radical market model would be in the public interest. Concerns were expressed that the recommendations went too far. The States particularly were concerned that the Commonwealth would benefit far more significantly than they would because it would gain higher taxes, and the States and Territories would be restricted in their ability to reap revenue from government trading enterprises. Therefore, the States' budgets would be contracted, particularly in the areas of water, gas, electricity and rail.

I commented to the Minister's adviser when we were briefed on this matter that for many years the Queensland rail system subsidised the Queensland taxation system. It charged high rates for rail transportation and, therefore, the Government did not need to increase other taxes and charges. The debate has continued in the community and, with regard to commonwealth-state financial arrangements, the Commonwealth has recognised that there may well be a loss to the States' revenue raising potential. It has therefore agreed to compensate the States over the next decade to the tune of $4.2b. To some degree that has quelled the concern of the States, but there is still concern about the implications of this policy. That was clear from my meeting this morning with representatives from the fishing industry. People must be given a better understanding of this matter.

With regard to justification for some government decisions, it has further clouded the issue from time to time that it has been convenient for Ministers - including a Minister in this place - to say that a certain course of action must be taken because it is a requirement of the Hilmer report. For a time I thought that was misguided, but I now think that an argument could be made that some of the issues said to be essential in accordance with the Hilmer report are not essential at all. A couple of Ministers have been particularly recalcitrant in using this reform process as a

mechanism for selling their hard decisions rather than dealing with those decisions. That has led to considerable confusion and some concern in the community.

Western Australia is the last of the States to be enacting this legislation. I understand that 99.9 per cent of all the States' legislation when overlapped is 99.9 per cent uniform and we are getting to the point at which this legislation will be truly national. We are about to pass the code of conduct. We will encapsulate in the process six basic competitive principles. As I said, they are mirrored in the Hilmer report. The principles are that legislation, including the regulations, will be reviewed; the reform of monopolies; price overseeing for monopolies principally in government trading enterprises; and access by third parties to monopolies and the guarantee of that access. That is interesting bearing in mind the north west gas pipeline and the future propositions in respect of that issue. Where once a number of government trading enterprises were monopolies, they are soon likely to have to grant access to competition. That competition could significantly impact upon the structure of those monopolies, the employment security of people, and the profitability of those organisations. That will have to be astutely managed.

The fifth principle is the competition policy in respect of the application of competitive neutrality and the sixth principle relates to the overseeing of competitive principles in local government. That sixth principle is an interesting dynamic. There is no doubt that in small, but nevertheless significant, areas local government enjoys some small natural monopolies. They have been used from time to time to secure the rate base and that may well be in jeopardy. However, not wishing to be a scaremonger, there is always potential to justify the existence of a monopoly based on the public interest test criteria.

We are also considering specific areas of reform in state government responsibilities - gas, electricity, water and roads. It should be noted that this legislation will remove the shield of the Crown from all government trading enterprises and activities. The Government can seek exemption under section 51 of the Trade Practices Act. The States can discuss changes or amendments to this legislation at Council of Australian Governments meetings. They will be able to lobby their counterparts in other States to override any one State's interests or the Commonwealth's interest.

The public interest issue is a very important part of this process. For the first time ever we will be testing whether something is in the public interest. We have been told historically that a state monopoly is in the public interest because it always has been. That statement will now be questioned. That will allow for a considerable amount of visibility, transparency and accountability in the process. If that cannot be sustained, the monopoly will be opened to competition. Importantly, if it can be sustained, it will stop a lot of misinformation about the role of government in the marketplace. It has been substantiated that there is a role for government in the public interest to preserve its stake in the market. For too long governments have been criticised for activities they perform in the marketplace when, in my view, their activities have been justified for a range of reasons, but in the broader sense, in the public interest. Public interest will cause significant problems. Public interest for Western Australia may not be the public interest of Victoria or New South Wales.

It will be difficult to get around those issues and to maintain uniform policy. The Bill allows for the breaking down of uniformity on a State by State basis in respect of the public interest. It is hoped that the breaking down will not be allowed to go too far. If it does, it will become counterproductive to the central theme of this legislation. If any State or Territory or even the Commonwealth were to foresee that this process was not in its interest, the ultimate power it will have available to it is to withdraw from the process. If it withdraws, it could continue to manage the process under state legislation or it could go to a totally free market situation. The consequences of that would be difficult and severe on an economy and particularly on those who are most vulnerable in our economy. However, that option is open to them.

The Bill has safeguards relating to the proclamation provisions of this legislation. They are various and some of them will be relatively time consuming. However, at the end of the day, the ultimate protection in this piece of legislation, although not stated in it, is that the parties will be able to withdraw from the process. The State has a fair degree of protection in this process. However, ultimately it has its future in its own hands.

At the same time that we were freeing up the market in the 1980s, it became essential that we not do that and say that the market would correct everything. There has been a strengthening of the Prices Surveillance Authority and the Trade Practices Act. That will continue under this legislation. Two significant bodies to oversee this process will include the National Competition Council, under which state and federal representatives will meet to discuss changes and amendments to this policy. They will be able to vote and I also believe the States have the right of veto on the National Competition Council with a simple majority.

The Australian Competition and Consumer Commission will become the public guardian against anticorruption or unfair business activities. It has been formed by merging the Trade Practices Commission and the Prices Surveillance Authority. It will have the role of monitoring and stopping anticompetitive conduct, and contracts that substantially

lessen competition will be scrutinised and stopped. The misuse of market powers will be monitored as will mergers and acquisitions.

[Questions without notice taken.]

Hon JOHN HALDEN: This matter has a significant history, and it has caused considerable debate within the Australian Labor Party. At the end of the day, we have reached a position where we can see the merits in this legislation. It will have a definable benefit in that it will scrutinise the activities of government and unincorporated bodies, by the extension to the powers of the Trade Practices Commission and the Prices Surveillance Commission. As a result of this legislation, it is likely that we will see far more competition in our society. If this legislation is to be workable and not have a significant negative impact, it must be realised that the Government has a different role from a corporate or private entity and that difference will have to be taken into account. Also, Governments should not adopt a narrow ideological point of view about this legislation, nor drive it too hard. On the other hand, Governments should not endeavour unnecessarily, or for their own vested interests, to intervene in the process and thus thwart it.

This is a rare opportunity for the Parliament to impose a significant discipline upon the Executive. It will be a difficult path to tread to manage the competing interests involved, but if ultimately that happens, benefits will accrue to our community. As I said earlier, this will not be to the degree advocated by Bill Scales.

Hon N.F. Moore: Parliament will need to adopt a mature attitude to some of those issues.

Hon JOHN HALDEN: I do not know about Parliament, but the Government will.

Hon N.F. Moore: You say that Parliament is imposing this discipline on the Executive, and Parliament will need to adopt a mature approach to some of the changes.

Hon JOHN HALDEN: I am not sure what the Minister means.

Hon N.F. Moore: I will explain in detail in my response. I will spend about half an hour on that point.

Hon JOHN HALDEN: I look forward to that. I am not sure what the Minister meant, but I wait with bated breath.

Hon N.F. Moore: It is not that significant.

Hon JOHN HALDEN: I thought it was, by the way the Minister spoke.

With this process, if we break up natural monopolies we should not necessarily just assume that it will result in a positive outcome. With the antitrust break ups in the United States, the consequences have not always been as good as anticipated. We can break up a monopoly to create a duopoly, or we could end up with oligopolistic competition. The net effect to the consumer will be nil; there will be more players in the market place but no more competition. We will need to ensure that those sorts of consequences do not follow.

As a Government and a Parliament, we must ensure that the special interest criteria of this State, particularly issues of distance and isolation, are monitored carefully. We must ensure that the issues to do with equity - distance, disadvantage or any other factor - are monitored carefully so that they are not exaggerated.

I see positive potential for outcomes for the benefit of all as a result of this legislation. However, they should not be compromised by any of the issues. There should not be a reduction in wages, industrial safety, or environmental protection as a result of these policies. If that happens, the purposes of the legislation will be lost in a public outcry of enormous proportion. Difficulties have occurred in the United States on these matters, and we must be careful how we monitor the issues involved. The strength and perseverance of agencies to ensure the maintenance of standards in those areas, is enormous. I refer directly to the Environmental Protection Authority, which will continue to be the lap dog of the Government as we enter this era of economic history. It will serve little purpose and be little more than a lame dog. At the end of the day, it will do itself and the economic policy directions in this legislation a considerable disservice.

The direction which protectionism or free markets will take, has not been resolved. This is just another step in the cycle, which can be successful if managed sensibly. If appropriate safeguards or energies are not provided by a range of surveillance mechanisms, this legislation will not be successful, the anticipated outcomes will not be achieved, and we will need to consider some further form of regulation. That may be warranted, and only history will tell.

As a Parliament, we have come a significant way towards joining the rest of the nation in this legislation. We hope that it will deliver some benefits, and that it will provide a significant proportion of the benefits as outlined by Bill Scales. However, we should keep this legislation in perspective and realise that this argument is nothing more than

a secular one that waxes and wanes from time to time between fads, but we must be optimistic and hope that some benefits can be achieved.

HON B.K. DONALDSON (Agricultural) [5.39 pm]: Although I support the Bill I noted a few points when the Leader of the Opposition spoke yesterday. He made me aware of the confusion, anxiety and nervousness that has existed in our community since the Hilmer report was released in approximately 1993. Misconceptions exist of what competition policy is all about and how competition can publicly benefit the wider community. It has not been easy to counter some of the arguments over that period. We understand what competition policy is about, but it is difficult to describe what are its long term benefits.

As a member for the Agricultural Region I know that statutory marketing authorities have a great deal of interest to many people there. Parker and Parker in its report to the Minister for Primary Industry did not attempt to say what should be done other than to refer to reviews, most of which I believe are to commence by 1998 and be completed by the year 2000. Some of the conclusions and recommendations in that report are very important.

In the light of the recommendations regarding competition, principal agreements provide that legislation should not restrict competition unless it can be demonstrated that the benefits of the restriction to the community as a whole outweigh the costs, and that the objectives of the legislation can be achieved only by restricting competition. We are really talking about the public benefit. The way has been paved for competition within energy, with significant gains in the deregulation of the gas market. However, not much of it has flowed on to the wider consumer.

Hon Bob Thomas: None at all.

Hon B.K. DONALDSON: One could say that that deregulation has reduced the high cost of energy and provided for downstream processing, which has opened up more employment opportunities.

Hon Tom Helm: It has been said that the domestic consumer has subsidised that reduced price.

Hon B.K. DONALDSON: I cannot argue that because I am not sure of the facts.

Hon Bob Thomas: What about the rebate for pensioners?

Hon B.K. DONALDSON: Hon Bob Thomas will have his turn to speak very soon. The reduction in the price of energy has allowed companies to enter into downstream processing. It will provide services to fledgling industries which are taking shape in the north west, especially those involved in iron ore.

The Leader of the Opposition referred to the Dairy Industry Authority as an example. At present we are assured of a certain quantity of milk 365 days of the week. Our milk is one of the highest quality milks produced in Australia. We also enjoy a very viable dairy industry. Dairy farming is not a job I would like to take on seven days a week. That industry must provide a significant financial return not only for its effort but also to ensure that dairy farmers continue to provide the quantity of milk our consumers need. We may never know whether that highly regulated quota system will have an adverse impact on pricing.

In many cases supermarkets use milk as a loss leader marketing tool. As I have said many times, the supermarket managers put the meat and the milk at the far end of the premises so that mug shoppers like me, who intend to buy two litres of milk, end up buying six or seven items off the shelf on the way out. They love suckers like me.

Hon Bob Thomas: You are the impulse purchaser.

Hon B.K. DONALDSON: That strategy was designed to catch the impulse purchaser. We do not know the true market price of milk; it is all over the place. We can pay $1.80 one day and $2.45 the next.

Hon Tom Helm: That is why you should always send your wife to do the shopping.

Hon B.K. DONALDSON: Most important, we are always assured that good, high quality milk is on the shelves. We are all aware now in the light of some of the reports on statutory authorities -

Hon Bob Thomas: Do you realise that milk is cheaper and more beneficial than coca-cola, but we sell more coke than milk?

Hon B.K. DONALDSON: I do not want to rob Hon Bob Thomas of his speech. I would hate him to fill in my time and have to repeat himself later!

Hon Graham Edwards: Give him a go.

Hon B.K. DONALDSON: He will have a go later. I believe one consumer survey found that the most sought after object on our shelves is coca-cola and it is the number one seller.

Hon Graham Edwards: It is good for a hangover.

Hon B.K. DONALDSON: Milk is a cheap product.

Several members interjected.

The DEPUTY PRESIDENT (Hon Barry House): Order! Let Hon Bruce Donaldson get on with his speech.

Hon B.K. DONALDSON: I think they are trying to help me, but I do not really need their help.

The DEPUTY PRESIDENT: Members should stop trying to help him.

Hon B.K. DONALDSON: It is up to each State to finally determine after careful examination what would be the public benefit of competition policy reform. I refer to the Grain Pool for argument's sake, another area of interest. Parker and Parker's report reads -

> Section 5 of this Report identified various competitive advantages or disadvantages to which the Authority is subject. These competitive advantages or disadvantages should be considered with a view to removal, where appropriate. The consultant notes that in this regard, each State is free to determine its own agenda for the implementation of competitive neutrality principles.
>
> Section 6 of this Report advised that there may be an impact on the Grain Pool by the application of the competition provisions of the Trade Practices Act and the Grain Pool may wish to pursue statutory amendment in order to be free to market its products in the manner that it wishes. However, in the meantime the Grain Pool may consider it appropriate to proceed with an education and compliance process.

Regarding the Perth Marketing Authority, it reads -

> Section 4 of this Report stated that the Authority effectively has a monopoly in its market and, in accordance with the Competition Principles Agreement, prior to the introduction of competition, may need to have its responsibilities for industry regulation removed and relocated so as to prevent it from enjoying a regulatory advantage over it rivals. In this regard, the consultant notes that the Competition Principles Agreement provides that before taking any such action, a review considering the various factors set out in the Agreement is to be undertaken.

Parker and Parker is not specifying what should be done, but drawing to the attention of those statutory marketing authorities that they will be under scrutiny during that review.

Another highly regulated area is the rock lobster industry. One could say it removes competition, whether it be in the catch or the processing. It is a highly closed industry. An argument could be made for exemption from deregulation on the basis that the conservation of that particular fishery would benefit the public. If we open up the fishery, it could leave it wide open to the exploitation, and in the longer term the public benefit would be diminished at a furious rate. We have also a very high market capitalisation of the industry. The dairy industry is capitalised at $200m. I was trying to work out what the figure would be for the lobster industry. A pot licence costs $25 000. Six hundred boats are in the industry. At an average of 100 pots per boat, we are looking at a huge amount of money. One could argue that many fishermen have enjoyed a capital gain, but they are still prepared to pay very high prices for replacement pots because they anticipate a sustainable long term industry.

Hon Kim Chance: Do you regard that capitalisation as property?

Hon B.K. DONALDSON: It has developed that way, whether it is correct or not. If we close anything, as the member well knows, it will be affected. With dairy quotas people are paying $295 per litre, and it has varied up to $365 and $395. It has been hovering somewhere between $295 and $335 based on the last sales figures. If we are considering exemptions, we must also take into account areas of conservation of an industry and ask how we deregulate it, if that is the way the review came out. We must address some really serious issues affecting the rock lobster industry. If we turn to other areas, such as the Australian Wheat Board, bulk handling, the Grain Pool and the Egg Marketing Authority, for argument's sake, the egg marketing industry is very closed and highly regulated and this probably restricts competition. However, by removing that would we gain something for the consumer? My first reaction is to say no. I say that without having any figures or recommendations of a review to look at. I will not be foolish enough to pre-empt or make any statements about the further outcomes of those reviews.

Hon Kim Chance: Comparisons with other jurisdictions which do not have regulation is one way of assessing it.

Hon B.K. DONALDSON: It probably is, but it is very hard to benchmark, because different factors come into the equation.

Hon Kim Chance: If you do that exercise with potatoes, it is very interesting.

Hon B.K. DONALDSON: Yes. It is one of those issues I felt very nervous about. I have often heard the Hilmer report referred to as the Himmler report by a number of people who felt that it had the dictatorial attitude of scrapping everything and opening up industries to competition which would destroy those which relied on some form of protection. Whether the reviews by the year 2000 point out to the Government of the day that the amending legislation or policies being put into place assist the competition process remains to be seen. I believe it will be a difficult task. Hon John Halden said that the Parliament, by passing this Bill, would throw an onus back on the Government at the time when a lot of huge decisions needed to be made.

Hon Kim Chance: If you were Minister for Primary Industry and you received a negative report from a review team of a government agency, how do you think you would respond?

Hon B.K. DONALDSON: I imagine I would first of all be phoning Cabinet colleagues and putting the case that if I were going to proceed down that path, I would need to be very sure of the public benefit when the review team came back to me. One could be exposing the Government to the huge expense of dismantling an entity. Who pays for it? Some people have said that we should scrap milk quotas. That is fine, but how do we raise the $200m? Do we just say to people, "Bad luck. In the best interests of competition we will add another 6¢ to your milk to buy up the quotas. In the long term it will be in your best interests"? I do not think people would buy that.

Hon Kim Chance: We heard that before with the milk vendors.

Hon B.K. DONALDSON: Yes we did. Some of those benefits have not been passed down the line. I sound as though I am against this Bill, but I am not.

Hon Kim Chance: We all have our little problems!

Hon B.K. DONALDSON: Naturally the Leader of the Opposition as a member of the agricultural region has probably had the same exposure to similar people in his electorate as I am sure my colleagues Murray Criddle and Murray Nixon and Minister for Transport, Eric Charlton. They would probably have been asked many questions since that report has been released, such as, "What is the long term effect on us?" If it can be demonstrated that there will be wider benefit to the community, that is fine. As long as that and the reasons for it can be spelled out in those reviews, one would be very silly to be negative about what we are trying to do. The Trade Practices Tribunal will become the Australian Competition Tribunal as a result of an amalgamation. The second reading speech indicates that the enforcement action will be brought in the federal court by the Australian Competition and Consumer Commission. Although the States have their rights, and that is probably the part which has been the saving -

Hon Bob Thomas: They are represented on the commission.

Hon B.K. DONALDSON: Yes. Not only that, they also have the right to make a final determination on the facts brought before them. That makes me feel a lot happier about the longer term process. If this were simply a straight-out commonwealth proposal and we were simply mirroring legislation without having our own say, I am afraid that I would not be supporting it.

I can see inherent dangers to an awful lot of people in this State in the longer term. It is important that I draw to the attention of the House some of the issues that have been put to me by a number of people. In the area of tax equivalent regimes and competition for contracting out services, for argument's sake, I can use as an example local authorities which have tax breaks through sales tax exemptions, when they are tendering for work from Main Roads, for instance. They might be able to tender well below private enterprise prices. Is that fair and reasonable; is it what local government should be doing?

Hon John Halden: Competitive neutrality has a big say in it.

Hon B.K. DONALDSON: I do not have a problem with that. It is probably a very good example. We have to provide a level playing field for competition. If we are to have an artificial tendering process for some contracts, we must be very careful that we do not give a complete advantage to one specific group. Some good things could come out of the Bill, but I will be a little cautious in my thinking until the reviews begin. If I am still around in the year 2000 and looking at some of the review reports -

Hon John Halden: I congratulate you. I would never have thought of you as conservative.

Hon B.K. DONALDSON: I would be most interested to see the review reports. I want to see some clear advantages for the wider public from competition. Although it can be identified in certain areas at the moment, we have long way to go with some of these fads, which is the word Hon John Halden used. It was possibly a pretty good descriptive term because sometimes we find in government and bureaucracy that people often pick up some very good ideas before writing reports.

Sitting suspended from 6.00 to 7.30 pm

Hon B.K. DONALDSON: Before the dinner recess I referred to some of the public benefits that will come from those reviews. I have heard figures bandied around, and I have read figures on the savings that could be achieved by implementing Hilmer's report on competition policy. I wait with bated breath to see whether we can achieve that extent of savings.

Hon Max Evans: Do not hold your breath.

Hon B.K. DONALDSON: Those savings seem massive, and I do not know how those benchmark figures were arrived at; maybe I missed that in the second reading speech. The words "efficiency" and "efficient service delivery" are not used often in that competition policy. It is all very well to predict huge savings; however, it is another matter if the level of efficient service also diminishes at the same time, because those issues go hand in hand. We have seen many instances over time where certain changes created a saving in some areas of expenditure and a greater revenue for that service deliverer.

Hon Kim Chance: That is more an argument against privatisation than against competition.

Hon Graham Edwards: I had exactly the same impression.

Hon B.K. DONALDSON: No. The Leader of the Opposition is too nice a person to try to put words into my mouth. As the Leader of the Opposition found last night, I operate diplomatically.

Hon Kim Chance: I was lost in the subtleties, comrade.

Hon B.K. DONALDSON: I will use the dairy industry as an example. It is getting a bit of hammering. It is all very well to deregulate the dairy industry, but at the end of the day if dairy farmers and milk processors cannot deliver the product in a more efficient manner so that cost savings are passed on to the consumer throughout the whole year, the public benefit aspect falls away completely. The reviews that are proposed will identify that aspect. The Leader of the Opposition spelt out the shift of the dairy industry from the Gosnells-Mundijong-Byford area to Harvey. Dairy land is becoming so valuable, as so many people diversify into other primary industry pursuits, that the capitalisation of that land is questionable, and it is doubtful whether dairy farming in those areas is sustainable in the long term. Huge pressures are coming from subdivisions for rural farmlets, horticulture, viticulture and a variety of other pursuits.

Hon Kim Chance: In some circumstances it is not ridiculous to imagine that the Avon Valley will become a milk producing area. In spring the Avon Valley could produce milk cheaper than anywhere else in Western Australia.

Hon B.K. DONALDSON: It could. The dairy industry is just one example of the operations of a statutory authority.

Hon Kim Chance: The Leader of the House could become a dairy farmer. He has a house there.

Hon B.K. DONALDSON: He could; who knows. The market growth in white milk is very stable. It is has a low percentage increase. However, we see a shifting ball game in the manufacturing area with coloured milk products which have experienced an escalation in sales. At some stage the people who conduct this review must take into account a mix of factors. Theirs will be the unenviable job of setting the parameters for that review and to advise the Government on what should happen to the year 2000. That will be an important consideration. Naturally, I support the Bill. It could have many benefits, although I will not hold my breath. I will wait to see what is forthcoming from those reviews in the years ahead. I will be interested to see whether the savings that have been identified can be achieved and, especially, whether those savings will be passed on to the consumer.

Hon Kim Chance: With optimism, but not conviction.

Hon B.K. DONALDSON: That is exactly right. The second reading speech picked that up. It gave me a great deal of comfort to know that each State will assume responsibility for the administration of the competition rules within its own borders. The other and most important element is that the package also states that prior to future modifications to the competition code by the Commonwealth, it must consult with all jurisdictions and seek a vote prior to taking the amendment to the Parliament. We do not want to see a jurisdiction which may have an unicameral system of government, and which has been used in the past for this type of legislation and these types of regulations, where no-one has had a say. That is untenable. Those two elements in the second reading speech gave me greater confidence to support this Bill.

HON BOB THOMAS (South West) [7.37 pm]: One of most insightful books that I have ever read about competition is probably John Steinbeck's *The Grapes of Wrath*. I do not know whether any members have read it; it is probably one of my favourite novels. For those members who have not read the novel, it details the story of the Joad family from Oklahoma who were caught up in the technological changes in the 1930s when farming changed

from small subsistence farms to mechanised broadacre farming. Small 10 acre lots were amalgamated and farmed by tractor rather than horse and plough. Literally thousands of families in Oklahoma and surrounding States were displaced because of technological change. Most of them migrated to California on the west coast of America because they were encouraged to do so by farmers who knew of their plight and sent handbills and fliers indicating there was a strong demand for a large number of workers in the orchards in California. The book details the Joad family making the decision to leave Oklahoma, loading everything that they could on an old truck and travelling 3 000 miles with their large family, a small number of possessions and very little money, because they were very poor, subsistence farmers. The book details the problems they experienced getting there, and the even greater problems that they experienced when they reached California. The number of workers that were required had been well and truly overstated by the landholders.

There were thousands of families in the orchard towns and hundreds of men competing for very few jobs. As a result of the competition, there was a downward pressure on wages to the point where it was not economic for those people to work because they could not make enough money to feed their family let alone run a car or pay for accommodation. There were massive social problems.

More importantly, there were massive inefficiencies in that agricultural economy. Thousands of starving people were working for below subsistence wages and the farmers had overproduction because of other problems with the canneries. Large quantities of fruit and vegetables were being dumped and the starving people could not get access to them because the farmers were poisoning them or tipping them into the rivers and employing armed men to guard them. That is an example of where absolute competition was seen to be inefficient. This Bill is a much fairer and better system than the absolute market driven competition that was experienced by those poor families in the 1930s.

Before we discuss the issue of competition in Australia, we must look at the way the Australian economy has evolved over the past 40 or 50 years. Most members realise that the Australian economy has changed since the 1950s, when we sold unprocessed agricultural and mineral commodities such as wheat, wool, iron ore and coal on the world markets and received a very good price because we had very few competitors. The Japanese, American and European economies were recovering from war and massive industrialisation was taking place. Australia's raw materials were very much in demand and our terms of trade were excellent. We received a very good price for our products. The Government's macroeconomic policy was based on the fact that Australia had a comparative advantage to sell those unprocessed commodities and, because of the price we received, we were very easily able to pay for the manufactured imports that we required. It therefore did not make a lot of sense for us to invest too much time and energy developing our manufacturing base. That was one of the reasons a very protective regime developed around the Australian economy. We had some of the highest tariff barriers in the world. That did not matter because our terms of trade meant that we were able to pay high prices for imports.

With the effluxion of time, Australia's terms of trade diminished because more and more competitors came into our traditional markets and the prices began to fall. Now, even though we are increasing the volume of commodity exports, the dollar value we are receiving is declining. With amazing regularity we read that the Japanese have renegotiated our coal and iron ore prices downwards, thus causing further problems for our balance of payments.

That macroeconomic policy began to come unstuck in the 1970s, when the OPEC countries decided to ration oil, which resulted in the oil crisis. Our balance of payments problems consequently worsened. The Keating Government was elected in 1983 and set about modernising the Australian economy. It floated the Australian dollar, deregulated financial institutions and gradually reduced tariff barriers in areas where we needed to expose Australian industry to international markets so that that industry would invest in modern technologies and become internationally competitive. The Government also set about introducing some equity in the tax system, which led to the introduction of the fringe benefits tax and the capital gains tax.

As a result, the Australian economy is no longer solely dependent on those unprocessed commodities. In fact, our fastest growing export components are our manufactured products. Manufactured exports are equivalent in value to our food exports. By the year 2020, our exports of manufactured products, particularly the elaborately transformed manufactured goods, will be worth more than the combined value of our exported food and mineral products. That is the nature of the revolution taking place in the manufacturing industry in Australia.

At the same time that was happening, some major changes took place in public policy within Australia and in most westernised countries. Government policies and government trading enterprises moved away from traditional bureaucratic processes, which involved a very clear division of labour and a hierarchical approach to the production and the delivery of services. More and more entrepreneurial decisions were made about delivery of government services. More emphasis was placed on outputs rather than inputs. It was argued that that enabled us to establish the true cost of those outputs, because it made the process of price setting more transparent and the system was designed to break the process down into cost centres. It was much easier to identify the unit cost of production and therefore easier to determine a transparent price setting mechanism.

Some of the other post-bureaucratic government decisions broke down the traditional chain of command in government trading enterprises and devolved much more of the decision making to middle management - to where the production was taking place. This decentralisation was said to have contributed to further decentralisation, because it allowed the introduction of contestability and outsourcing. The other interesting characteristic of these changes was the implementation of performance agreements, where outputs and outcomes were agreed to by those agencies rather than their having an agreement about the input or the number of people employed, and so on. These were used to try to improve the efficiency by separating the regulatory components of those government agencies from the production.

As members can see, many changes taken place in the Australian economy. There was a change away from a narrow-based commodity production economy, to one that placed more emphasis on sophisticated manufacturing. I believe the natural extension of that process was the introduction of the competition policy which was two pronged: It improved competition, first, within the general economy and, second, within the services delivered by government, especially government monopolies.

The basic tenet of this Bill is to change section 4 of the trade practices Act so that its scope could be extended to all of the businesses and government enterprises that were previously excluded from it. Before these changes, only those agencies that were incorporated, and businesses that traded interstate were covered by the trade practices Act. Any other unincorporated businesses that did not trade interstate, but merely traded intrastate, were not covered; therefore, there was no way these competitive policies could be applied to them. This Bill changes all of that. It changes the definition in section 4 so that persons, rather than any of those various derivatives of businesses, can be included within the scope of the trade practices Act. It also includes governments, by taking away the protection of the Crown. The Bill makes some other reforms to Government activity. It allows for the separation of the regulatory and the business functions of government business enterprises and it encourages more transparent pricing functions within them.

The overriding premise in competition reform policy is that those reforms need to be made in the public interest. With this in mind, I have some problems with many of the decisions that have been made by the State Government in the past three and a half years. Members will be aware that last year the Minister for Transport announced the Right Track program. As a result Westrail downsized its operation by about one-third, from 4 500 workers to 3 000 workers, and it closed down many of its operations. One place badly affected by this decision was Albany. The complete Westrail work force of 35 people in Albany were told that their jobs were abolished and that those functions that were previously performed by Westrail in Albany would be transferred elsewhere. A number of people who were working in the Westrail depot shed, providing engineering and maintenance services, were told that their jobs had been abolished and that those functions would be provided either through Northam or Picton, or the work would be out sourced through private contractors.

The 18 drivers and driver's assistants were told that their jobs were no longer to be located in Albany, but would be relocated to Wagin and Picton-Bunbury; likewise the permanent way gang, responsible for maintenance of the line. In my view that was a very short-sighted decision. We now have the ludicrous situation where staff from Northam are driving to Albany, living on travelling expenses, and fixing trains in Albany. Locomotives and rolling stock used on the great southern line, principally for the grain harvest, are being taken to Northam for regular maintenance or repairs. This is a very inefficient way of going about things.

The Albany port is a major player in the export of grain. It is a major intermediary player in our export sector; likewise the rail services provided by Westrail. For the life of me, I cannot see how it is more efficient to have a quite busy Westrail service on the great southern line being maintained and serviced out of Northam, which is 500 kilometres away, or the best part of a day’s drive from Albany. When breakdowns occur on the great southern track, all rail movements in that area are stopped because someone who can fix the train and keep the locomotives moving does not work close by. I cannot see any advantage in this new system. In fact, this decision is costing us in terms of efficiency on the great southern railway line, and it will have a detrimental effect on a very important industry.

To justify this decision, members of the coalition used the argument that it had been forced on them by the findings in the Hilmer report. Members of the coalition said that they needed to make those changes to out source those jobs and to close down the functions they said were inefficient because of the competition policy requirements. That is a ridiculous argument. The Minister for Transport has used it on a number of occasions for decisions he has made, as have other Ministers in this Government in terms of contracting out government functions. Their arguments are morally bankrupt - and wrong. I dug out the second reading speech on the federal Competition Policy Reform Bill. It states -

> In particular the Agreement, and indeed the package of reforms in total, does not compel, or even encourage, Governments to privatise government business enterprises, nor to abandon or reduce community service obligations.

That contradicts completely many of the arguments I have heard put by members opposite. In fact, I can remember a debate in this House in 1994 where two of the existing Ministers indicated that many of the decisions being made by this Government in terms of privatising government functions and out sourcing some of these activities were forced on them by Dr Hilmer's recommendations. Nowhere in this second reading speech does it say that. The Bill is silent on the issue of public versus private ownership. The second reading speech states that the decision as to whether and when a government entity might be privatised remains the exclusive responsibility of the owning government. Hilmer and the competition policy have nothing to do with the decisions that are being made by the State Government on contracting out school cleaning and non-core jobs in hospitals. It is a farce for government members to say otherwise. If members opposite were honest, they would refer us to the agreement that was signed on 11 April 1995 by all Premiers and the then Prime Minister, Paul Keating. Three agreements were signed, but the one I refer to is the Competition Principles Agreement. Clause 3 of that agreement, the interpretation clause, states -

> Without limiting the matters that may be taken into account, where this Agreement calls:
>
> (a) for the benefits of a particular policy or course of action to be balanced against the costs of the policy or course of action; or
>
> (b) for the merits or appropriateness of a particular policy or course of action to be determined; or
>
> (c) for an assessment of the most effective means of achieving a policy objective;
>
> the following matters shall, where relevant, be taken into account:
>
> (d) government legislation and policies relating to ecologically sustainable development;
>
> (e) social welfare and equity considerations, including community service obligations;
>
> (f) government legislation and policies relating to matters such as occupational health and safety, industrial relations and access and equity;
>
> (g) economic and regional development, including employment and investment growth;

I was talking about the impact of Right Track on Albany. The agreement states that matters that shall be taken into account include the effect of these decisions on economic and regional development, including employment and investment growth. The agreement continues -

> (h) the interests of consumers generally or of a class of consumers;
>
> (i) the competitiveness of Australian businesses; and
>
> (j) the efficient allocation of resources.

I cannot see how there is an efficient allocation of resources in the great southern when people come from Avon, 500 km away, to perform maintenance and fitting services. Sometimes that work is done in the most primitive of conditions. Guys pull up next to a train and use the back of their truck as a workshop and grovel in the dirt underneath the trains to fix them. Both the second reading speech of the competition policy reform legislation that was introduced in the House of Representatives and the agreement that was signed by the Premier of this State indicate that the arguments used by members opposite are completely incorrect and inconsistent with the facts in this case. That is, overriding factors, such as public interest considerations, must be taken into account when decisions are made to change the way government does things to improve competition.

I was going to raise a number of other matters; however, I have probably taken more time than I should have. Some of those matters have been raised by other members, none more eloquently than the Leader of the Opposition. I reiterate that the Opposition will support this Bill, but it does not agree with or support the rhetoric that it often hears from members opposite.

HON J.A. SCOTT (South Metropolitan) [8.04 pm]: I am afraid I will be a spoilsport and be the person who says that he does not agree with competition policy. I think competition policy is a wonderful exercise in sciamachy.

Hon Kim Chance: In what?

Hon J.A. SCOTT: It is the exercise of chasing shadows. Basically, competition policy results from Governments that have a bad case of failed imagination in how to manage the economy. They therefore turn it over to private

enterprise to create the accountant's whole of life approach in the bottom line theory of existence. The bad joke is that the economies that are doing well around the world are the interventionist economies. Countries like Malaysia are very much about ensuring that they target industries that are essential to their community and helping those industries to build up and create other industries around them. This idea of the free market controlling everything is rather like the story in the Bible of the golden calf; all the people rushing to give their adulation to a saviour that will not do anything for them. It is the age of the chaos theory. This is what competition policy means to me.

We see how it affects the State already with overhead cabling in Western Australia and in the other States. This is a direct result of competition policy. Optus Communications, Vodafone Pty Ltd and Telstra have the right to put holes through our houses with cables through them if they want, and no State Government or local government can do anything about it.

Hon P.R. Lightfoot: They can't put holes through your house!

Hon J.A. SCOTT: They can if they wish. Believe me, they can put their cables straight through Hon Ross Lightfoot's house.

Hon P.R. Lightfoot: There was no competition with the State Energy Commission of WA, but there was more cabling then than there will ever be with any telecommunications industry.

Hon J.A. SCOTT: The difference with SECWA is that it did not have the same power as these organisations, which have the same power as the federal trading corporations and enterprises. They insisted on having the power to compete with the old Telecom, and new Telstra, so they could be on the same footing. They all have ultimate power about which the State Government can do nothing.

Hon P.R. Lightfoot: They can't put holes through your house, for heaven's sakes.

Hon J.A. SCOTT: They can put their cables wherever they like, and there is nothing Hon Ross Lightfoot and his Government can do about it. The same thing will happen with the federal airports. They have been sold off, creating many incredibly powerful organisations that can do whatever they like; they can create whatever noise and trouble they like for local communities, all on the theory that this is a good competition policy.

Hon P.R. Lightfoot: The Kalgoorlie-Boulder airport is privately owned and it is a wonderful airport.

Hon J.A. SCOTT: People have telephoned me recently about a noise and intrusion problem in the buffer zones in Kwinana where there is a mining operation - this is another argument - that has the extraordinary ability to operate 24 hours a day if it likes because it operates on a mining lease, despite being in the metropolitan area. These operators are able to drive their vehicles along roads that the council does not want them to use because if it makes them use alternative routes it will contravene the competition policy. The departmental engineer in Kwinana says it will cost the shire a fortune because the roads are not designed to carry such loads. Instead of the roads lasting 30 to 40 years, they will last for only eight or nine years. At the current rate that will bankrupt the shire. This is supposed to be good for the community!

Hon P.R. Lightfoot: Where is the competition in that? It sounds like lack of competition.

Hon J.A. SCOTT: The operators cannot be made to take the longer route because that would make them less competitive with other operators. The difference with Optus and all these other organisations is that they have been given the same rights as Telstra, and it is the same with these government trading enterprises. There is no public interest clause. My colleagues in the federal Parliament tried to insert a public interest clause -

Hon P.R. Lightfoot: Is Senator Bob Brown a personal friend of yours?

Hon J.A. SCOTT: Yes, he is.

Hon P.R. Lightfoot: Not an intimate friend?

Hon J.A. SCOTT: Not in the way Hon Ross Lightfoot might be suggesting, but he is a very good friend and an intelligent and good senator.

This competition policy will open a Pandora's box and it will create problems that will far outweigh any advantages. I am happy to acknowledge that in some places competition is a good thing, but in other places it certainly is not. The irony of a competition policy is that it will result in monopolies which will own everything. In fact, the Murdochs and the Packers of this world will own all the public facilities and enterprises.

Hon P.R. Lightfoot: That is an oxymoron.

Hon Derrick Tomlinson: I do not know whether it is oxy, but it is certainly moronic.

Hon J.A. SCOTT: Unfortunately, the reality is that fewer and fewer people are owning more and more under the systems that members opposite think are good. It is said that 258 families own half the wealth in the world. It is not that moronic.

Hon Derrick Tomlinson: Even in feudal history exactly the same applied. We are far better off today than were the peasants of that feudal time when a few hereditary titles owned all property.

Hon J.A. SCOTT: The only problem with that hypothesis is that Hon Derrick Tomlinson thinks history means only English history. There is a wider world. The feudal system did not apply to all parts of the world, but only to Europe.

Hon Derrick Tomlinson: Are you suggesting that the capitalist system which you decry arose from some other culture - Aboriginal or American Indian? It did not.

Hon J.A. SCOTT: It did not involve Governments' legislating for competition. In fact, the capitalist system got under way when companies such as the Dutch East India Company were established, and they were very much run by Governments. The Government supported them by imposing huge taxes to supply the gun ships -

Hon Derrick Tomlinson: But they were replaced by the middle class entrepreneurs who became the owners of such things as the East India company.

Hon J.A. SCOTT: They certainly did. They then made the masses pay taxes they could not afford to maintain their warships around the world. They also raped and pillaged the countries to which they took their capitalist system.

Hon Derrick Tomlinson: Nothing has changed.

Hon J.A. SCOTT: That is right, but it is about time it did. The same type of people are on the government benches.

Hon Derrick Tomlinson: And the peasants will reside in opposition for ever more, as they have done -

The DEPUTY PRESIDENT: Order! The member on his feet should address his comments to the Chair, and other members should stop interjecting.

Hon J.A. SCOTT: I apologise for getting into debate with the aristocracy on the other side.

Hon P.R. Lightfoot: You gave rise to the term that the peasants are revolting.

Hon J.A. SCOTT: Indeed, they will be. This country is heading in exactly the wrong direction because the leaders creating enterprises are those people who do not subscribe to this petty competition policy but are doing what we should be doing; that is, putting in place a cooperation policy. Some of the more successful economic planners in the world today are doing that, and I refer to the people involved in the Japanese economy.

Hon P.R. Lightfoot: The Americans?

Hon J.A. SCOTT: An American has been very influential but I am struggling to remember his name.

Hon P.R. Lightfoot: Are they not the people you are decrying now when talking about philosophy?

Hon J.A. SCOTT: No, the philosophy that person put forward was that, rather than competition whereby 100 people race to carry a baton over 100 kilometres, the task should be shared and each person should carry it for 1 km. In that way the baton arrives much more quickly. The Japanese do not snipe at each other and try to compete at the beginning of the production cycle. They sit down together and work out a cooperative way in which to go about their business ventures.

Hon M.D. Nixon: A cartel.

Hon J.A. SCOTT: No, it is not a cartel. They work out what the next product will be -

Hon P.R. Lightfoot: That is because they are a homogenous race in a single country.

Hon J.A. SCOTT: They pool their resources, and only when they have carried out the design and production of the various components to make the final product, does competition become a part of the marketing. They have a cooperative economy. We are falling into this stupid trap of fighting each other to try to achieve a better outcome. That is a joke. Everybody knows that cooperation beats competition any day. I am opposed to this legislation. I know I am a lone voice in the wilderness, but I believe the day will come when a lot of other people will say the same thing.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [8.21 pm]: I thank members for their contribution to this debate. The Leader of the Opposition had been looking forward to making his speech for some time. This

legislation gave him the opportunity to reflect on his political background and to contemplate where he has come from and where he is going. It is not a bad thing to discuss legislation or some issue which requires one to re-examine one's views about things of very fundamental substance. I enjoyed the Leader of the Opposition's comments. I was interested to hear how he came to the conclusion that he should support this legislation, bearing in mind the politics of his uncle, the faction to which he belongs in the Labor Party, and the way his political party has varied on this issue over time. His comments on free trade versus closed shop arrangements, markets, competition and regulation were correct. All of those issues have been fundamental to the political process for a long time. We all recall the Free Traders as a political party in the early days of the Federation.

One of the interesting things about this debate is that we have now reached a stage where both major political parties have come to a similar conclusion about competition policy, although I suspect that in the future the debate will be about the extent to which we embrace competition. I suspect the argument between the parties will be about the degree of competition that either side will embrace as opposed to one being for a regulated system and the other being for a totally deregulated system. A time will come - I do not know whether I will be around - when Hon Jim Scott and his colleagues will be running the country and the world. If they are, people will be doing exactly as they are told because it will be highly regulated and controlled. This wonderful concept of cooperation to a large extent defies basic human nature. The history of the world is that when people have sought to operate on the basis of cooperation, it followed that somebody made sure people cooperated and they finished up with Governments that made decisions about everything they did to ensure that everybody cooperated with each other. Competition is part of human nature. Whether Hon Jim Scott accepts that does not matter. Most human beings are reasonably competitive by nature and we need to ensure that the competition that exists naturally is controlled to the extent that we avoid the pitfalls that can occur if it is not well and truly managed.

Many of the issues raised by members in the debate are "what if" issues. They referred to industries - for example the whole milk industry, the dairy industry and the fishing industry - and they tried to work out what this legislation might mean in respect of those industries. They raised a number of potential problems. That is understood by the Government. That is why we have the review schedule for the various agencies in government that will be examined.

Hon Kim Chance: Has that been tabled?

HON N.F. MOORE: I got a copy today. I had not seen it before. I will get the Leader of the Opposition a copy. It is called "Clause 5 legislation review table" and it lists the various agencies and the legislation under which they have been established and the year and scope of the review, and it outlines what the Government will do in respect of each of those agencies in the future as part of that competition policy.

I reassure members that the Government has also carefully considered its position in relation to the policy, in the same way that I suspect Hon Kim Chance has reassessed his position. The Bill has been constructed in light of a strong desire by the Government to maintain its capacity to decide what is best for Western Australia. A significant aspect of the discussions in the lead up to the 1995 Council of Australian Governments' agreement on the national competition policy was the emphasis placed on ensuring competition was pursued not for its own sake, but for the community benefits that it can generate. That has to be the fundamental, basic underlying principle for everything we do. It is not competition for competition's sake; there has to be a demonstrated benefit to the community in respect of its implementation.

Hon J.A. Scott: How is that defined?

Hon N.F. MOORE: Most people are capable of defining whether they are better off than they were before. That is not all that difficult.

Hon J.A. Scott: But the community doesn't decide that.

Hon N.F. MOORE: The community does decide that. It comes together every four years and votes for political parties. We have a political process in place in which the community makes its views known. Unless the member has a better way of doing it than that - that is, have a referendum on every issue -

Hon J.A. Scott: It depends on whether they stick to more than their core promises.

Hon N.F. MOORE: That is why the member was elected to Parliament. I cannot think of any other reason. Our political system is designed to ensure that Governments that espouse the view that competition should not be imposed for competition's sake, but for the benefit of the community, deliver those benefits. It is also important that the State could develop its own timetables and priorities as part of the agreement. That is contained within the Bill.

I would like to respond to some of the questions that were asked. Compulsory acquisition of primary products is explicitly exempt from the application of section 2C of the Trade Practices Act. Clause 15(1)(d) of this Bill also explicitly excludes compulsory acquisition. There is no intention that that is a transitionary provision. However,

statutory marketing authorities legislation along with anti-competitive aspects of other legislation is required to be reviewed under the competition principles agreement. The statutory marketing authority legislation will be reviewed in accordance with the timetable published by the Government in June this year. That is the timetable that I will get the Leader of the Opposition a copy of. These reviews of SMA legislation will include examination of acquisition of primary products to ensure acquisition is in the public interest. So we are coming from both angles.

Hon Kim Chance: So even though it is exempt on one hand, it is still open to review in the broader review process.

Hon N.F. MOORE: Yes, in respect of public interest. That will be looked at. I reassure the Leader of the Opposition that if anti-competitive aspects of statutory marketing authority legislation are, following a thorough review, found to be in the public interest, scope exists for the State to seek an exemption through state legislation by referring to section 51 of the Trade Practices Act. It is particularly important that the State has the ability to legislate for behaviour which it considers to be anti-competitive, yet is in the public interest. That right is provided in section 51 of the Trade Practices Act.

State legislation which seeks to exempt anti-competitive behaviour from the Trade Practices Act must specifically refer to section 51, and the Australian Competition and Consumer Commission must be notified within 30 days. The Commonwealth Government retains the right of veto in respect of that.

Hon Kim Chance: Does it?

Hon N.F. MOORE: Yes. However, a safeguard has been provided in the conduct code agreement entered into by the Commonwealth and all States and Territories. That code includes a requirement for the Commonwealth to consult with fully participating jurisdictions in relation to modifications to the competition code; in other words, that is part 4 of the Trade Practices Act. The Commonwealth is required to call a vote on proposed amendments, with the Commonwealth having two votes and a casting vote and each fully participating jurisdiction having one vote. It is like some of the ministerial councils I attend. They have been lopsided and it is not something I would necessarily always go along with. However, I was not directly involved in this agreement.

A majority of votes is required to support an amendment to the Competition Code before the Commonwealth will put it forward. In other words, there must be a process of upfront consultation and voting before the Commonwealth will put forward an amendment to the Competition Code. As a consequence of this safeguard mechanism and the good policy intent behind section 51 when it is in the public interest - in other words, competition must be in the public interest - it is fully expected that this exemption will be ongoing.

Hon J.A. Scott: In terms of Telstra, are you saying that every four years you can do something about it even though the cables are already installed in the street? How is the public interest looked after then?

Hon N.F. MOORE: I will finish what I am saying before I answer the member.

Hon Kim Chance: It is an operational matter.

Hon N.F. MOORE: I will come back to what Hon Jim Scott said.

The Government fully supports the continuation of the availability of section 51 exemptions, but it is a public interest question. Hon Kim Chance and Hon John Halden raised the question of public interest. What is in the public interest is often a subjective judgment and it is not always easy to make such judgments. However, that is what will guide many of the decisions on exemptions because it is a question of public interest.

In this debate we have discussed a number of industries - for example, the dairy industry - where public interest is important in ways which would not be applicable to other industries. Similarly, the fishing industry seeks to preserve its resource by having what is considered anti-competitive arrangements to ensure the resource is not exploited and diminished in a way that the industry would not recover. The question of public interest must be carefully looked at and that is the reason all the statutory marketing authorities and other agencies of Government are being examined in the context of the competition policy.

Hon Kim Chance: I want to make it clear in the policy part of the Bill - the second reading stage - that earlier I had not fully comprehended the commonwealth veto under section 51 exemptions and that bothers me.

Hon N.F. MOORE: I will come to what the States can ultimately do. This Parliament does not have to accept this legislation. It has the power to amend the legislation or to opt out of it. Therefore, in the event that things progress in a way which is not acceptable to Western Australia, mechanisms are available to the Parliament to oppose any proposition from the Commonwealth to do certain things, and there is a voting process. In the event that this State is not successful in achieving what it seeks to achieve, it has the capacity to amend the legislation, opt out of it or introduce its own competition policy which would be quite independent of the national system. In other words, there

is an agreement between the States and the Commonwealth to put in place a competition policy arrangement which requires a cooperative approach, but at the end of the day somebody will make the decision. If this State does not like it, it has the power to opt out of it.

The member asked whether I could assure him that the Government has a guarantee from the Commonwealth to the effect that the exemptions will not be deemed to expire at the end of three years. The information I have is that there is no blanket cessation of exemptions after three years; therefore, it does not apply across the board. The exemptions which were passed prior to July 1995 when the conduct code agreement was signed did not conform to the new standard that would be valid until July 1998. It is a three year term. As a consequence, it is expected that legislation containing these exemptions from the Trade Practices Act will be reviewed early in the legislative timetable to ensure that appropriate, ongoing arrangements are established; for example, new exemptions. The measures which were in place prior to July 1995 will be looked at first to ensure they comply with the requirements of the code and are well placed for new exemptions to be instituted. They will be reviewed after three years.

The existing exemptions which meet the new requirements for a section 51 exemption - that is, an exemption contained in legislation that refers specifically to section 51 of the Trade Practices Act and clearly articulates the nature of the breach - have no expiry date. In other words, if they are exempt under the current law, there is no expiry date. However, the existing exemptions will need to be reported to the Australian Competition and Consumer Commission in July 1998. It will need to be advised that they are still operating. New exemptions which meet the requirements for a section 51 exemption have no time limit. If exemptions are placed in regulation rather than legislation, such exemptions will have a life limited to two years. A legislated exemption has no time limit and an exemption through regulation has a limit of two years.

Hon Tom Helm: What are the disallowance provisions under those regulations and do they come from the Council of Australian Governments' agreement? Would they be federal?

Hon N.F. MOORE: Yes, therefore, they would be subject to disallowance in the Commonwealth Parliament. I will need to take advice on that when we reach the Committee stage. Effectively, a part of the federal Trade Practices Act has been made part of the state legislation.

Hon Kim Chance: Do the regulations become part of the legislation?

Hon N.F. MOORE: That would be right, but I will take advice on it.

Hon Tom Helm: If the States can be exempt from a Council of Australian Governments' agreement I imagine the legislation will have the same provisions in terms of an exemption?

Hon N.F. MOORE: I am talking about agencies being exempt from the requirements of section 51 of the Trade Practices Act. I do not think that is what the member is talking about.

Hon Kim Chance: The member is talking about agency regulations.

Hon N.F. MOORE: If an agency is exempted by regulation, the exemption has a two year limit.

Clause 39 of the Bill refers to regulations for exceptions under section 51 of the Trade Practices Act or code. It reads -

> Without limiting any other power to make regulations under any other Act, regulations may be made under this Act specifically authorizing a specified thing to be done under this jurisdiction and referring expressly to the Trade Practices Act or the Competition Code.

My understanding of that clause is that this jurisdiction can make regulations in respect to exemptions under the Trade Practices Act. Therefore, the Parliament would have the power to reject those regulations, if my understanding of the clause is correct.

I return to the question asked by Hon Kim Chance and what I have said covers the query he raised about the blanket expiry at the end of three years. Some do expire, unless they are fixed up. If they are enacted under the new arrangements, they continue to exist. If they were set up under regulations, they would last for two years.

Hon Kim Chance: It only arose because of the Hilmer report of which I have a copy. That can be rather different from the competition policy reform.

Hon N.F. MOORE: The member asked a number of questions about the States surrendering control to the Commonwealth, what safeguards are in place and whether it was impossible for a Western Australian law to be amended without the Parliament either making or ratifying that decision. A number of safeguards are in place to ensure that the State is not surrendering its control to the Commonwealth. However, that needs to be balanced with

the fact that we are making a decision as a Parliament to put into an Act of this Parliament a part of commonwealth law. If we had decided not to do that, it would have had no involvement with us at all.

Hon Kim Chance: That law can change.

Hon N.F. MOORE: It could. I will explain what will happen in that event. The member must understand up front that by going down this path of making part 4 of the Trade Practices Act part of state legislation, we are making a positive decision. We then must work out what will happen in the event that the Commonwealth exercises its jurisdiction and amends its own law, and the effect this will have on us. We can accept or reject the amendment. We can reject it within two months of the Commonwealth's amendment. Following a modification by the Commonwealth of the Competition Code, if we by proclamation, within two months, decide that we do not want the change to come into effect in Western Australia, we can stop it having effect. That proclamation will be made by the Government of the day, not Parliament. However, if the modification to the Trade Practices Act is made by the Commonwealth Parliament, and any State does not oppose it by proclamation and supports it, the modification will be made automatically. In other words, the modification to the Trade Practices Act will apply without the Parliament being involved. However, the Government of the day can reject it. I would have thought that a proclamation by the Government could be disallowed by the State Parliament.

Hon Kim Chance: It is an interesting question.

Hon N.F. MOORE: If we made a decision as a Parliament to prevent a proclamation taking place, it would be possible for the Parliament to vary the proclamation by variation. If we do nothing, the change becomes part of our law automatically and the State Parliament is not involved. It seems to be a little around the wrong way. Nevertheless, it is an agreement made around Australia and as we are making a conscious decision to be part of this agreement, we need to accept that that is the way the agreement was reached.

Hon Kim Chance: We can accept or reject.

Hon N.F. MOORE: We have a choice; we do not have to go along with this. The Government's view is that this matter has been worked out after detailed negotiations. Bearing in mind that this State, with its rather parochial nature, is not one inclined to accept commonwealth control over areas, it has been prepared to drive a hard bargain to deliver the power to stop the changes by proclamation. The Government has a positive and affirmative role in this process, and the Government is responsible and accountable to the Parliament. If the Government of the day decides by proclamation to reject an amendment by the Commonwealth, the process is positive and up-front. People know it is happening. It probably could be disallowed by either House. In the event that the State Government does not act, the amendment passing through the Federal Parliament will mean that everybody knows about it. It will not be hidden.

In the event that the Commonwealth uses its legislation and changes it regularly to disadvantage the States, we could opt out of the system. That is an option. We could amend our legislation in our Parliament to change the circumstances under which we operate. One could argue that we are not handing over control to the Commonwealth, as we will retain the right to reject any modifications made by the Commonwealth.

Hon Tom Helm: Will you tell us whether proclamation will be disallowed?

Hon N.F. MOORE: My advice is that it can be disallowed, but I will double-check that. It may mean in effect that an amendment may be made to Western Australian law without the State Parliament amending or ratifying it directly.

The consultation in the voting arrangement to which I referred earlier, required prior to the changes in the Competition Code, will also ensure that changes do not occur which are contrary to Western Australian interests. We will have to go through that voting process before the Commonwealth makes modification. If the State loses in the voting process, we can make a decision about whether to accept or reject the matter. The State retains the ultimate power of repealing or amending legislation. If that happened, we can allow for the functions of the Australia Competition and Consumers Commission to be assumed by State agencies.

I hope I have answered Hon Kim Chance's questions, and I hope I have explained the matter. I am sure he can ask in Committee about those matters in detail.

Hon John Halden spoke at length about the general principle of the matter. He raised particular concerns in relation to the Fisheries Department, and that is not an area on which I can give a definitive response. Government agencies will be reviewed in the context of the competition policy. Changes may be required, bearing in mind that exemptions can occur under section 51 to allow anti-competition principles to apply if that is in the public interest.

When the member said that the Parliament was imposing a discipline on the Executive by passing this legislation, I interjected that Parliament would need to be mature in this matter. Often Governments make hard decisions and

Parliaments agree to the laws introduced. However, when it comes to the crunch and significant political pressure is applied by various sectors of the community to reverse some of the hard-won decisions, it is necessary for members of Parliament occasionally to take the mature view that sometimes some political flak must be worn to achieve significant gains. I have been here for a long time, and I know how difficult it is to make significant change owing to the capacity of minority and majority groups to have their points of view well expressed to members of Parliament. Decisions have been made by Parliaments not reflecting on the previous decision of the Parliament but in responding to a political problem at the time. As we go forward chasing shadows, as Hon Jim Scott suggests, we will need to be sensitive to this process. We will need to make certain that we do not introduce competition for the sake of competition. We must seek in a mature way to decide the public interest; that is, an action for the good of the whole community, not only a small pressure group which happens to have political clout on an issue.

I will not spend much time commenting on the matters raised by Hon Bob Thomas and Hon Jim Scott as I have covered those matters. Hon Jim Scott and I must agree to differ on this matter. I suppose there will be occasions, such as this one, when he will be a lone voice crying in the wilderness, although listening to the member one would think no wilderness was left. Obviously the member has a different view from everybody else.

Hon Bruce Donaldson raised a number of issues in line with the matters raised by other members, one being the need to ensure that the public interest is well and truly understood, even if it is not well defined in the minds of policy makers, when we look at how competition policy affects organisatiions such as statutory marketing authorities.

I thank members for their support of this significant legislation, which if handled correctly and sensitively will achieve a great deal for Australia. It may not achieve what was predicted by Bill Scales in his summary, but even if it achieves only half of what he suggested, it will be worth having, because at the end of the day this nation is looking not just at competitiveness within Australia but also at its capacity to be competitive internationally. Unless we are competitive internationally, we will become a candidate for Third World status - banana republic status, as a former Prime Minister described it. It is important that we get our act together within Australia, if we want to argue that people internationally should get their act together, in respect of a level playing field in trade policy areas. I thank members, with the exception of Hon Jim Scott, for their support.

Question put and passed.

Bill read a second time.

Committee

The Deputy Chairman of Committees (Hon W.N. Stretch) in the Chair; Hon N.F. Moore (Leader of the House) in charge of the Bill.

Hon KIM CHANCE: Mr Chairman, it may assist you if I advise that I am happy to deal with this Bill in parts rather than individual clauses, because that will enable the clauses within each part to be dealt with cognately. It is difficult to argue part 2 in a clause by clause format; it is easier to deal with it as a whole part.

The DEPUTY CHAIRMAN: Does the Minister agree?

Hon N.F. MOORE: Yes.

Part 1 put and passed.

Part 2: The Competition Code -

Hon KIM CHANCE: Clause 4 of this part describes what the Competition Code text shall consist of, and clause 6 deals with how modifications to the code will be made. The Minister addressed this matter in the second reading debate, and I am happy he did that because I wanted that done at the policy end of the debate rather than the Committee end. We know that the text of the code can be modified by not only an amendment Act in the Commonwealth Parliament but also a change in the regulations, because clause 4(1)(c) states that part of the Competition Code text consists of the regulations under the Trade Practices Act. The Western Australian law can be altered without its even being scrutinised by the Commonwealth Parliament. The only scrutiny that it will undergo from the Commonwealth Parliament is that it will face the possibility of disallowance in the same way as do regulations in this place. It is not simply a matter of transposing the law of one jurisdiction to the law of another. It is a matter of transferring the regulations of one jurisdiction to the law of another jurisdiction. That is a somewhat backwards way of doing it. I understand why it is being done in that way, but we need to be keenly aware of what is happening in this process, and we need to understand what we are doing.

For that reason, we have received a number of assurances about the way in which the code can be altered, and we also have the consultation process, but I have just learnt tonight that that consultation process can go through its

ordinary forms but that the position of one State or of more than one State can be vetoed by the Commonwealth, and that leaves me a little uneasy. I know that in clause 6(1)(b) the State has the option of not applying a modification made by a law of the Commonwealth to the competition code text if the modification is declared by a proclamation to be excluded, so there is a safety valve, but I want to ensure that we understand what we are doing and that the effect of subclause (1)(b) will be to enable a state jurisdiction, in circumstances where it may find itself the odd man out, to separate itself from that modification, which may have been made without its having passed through the Commonwealth Parliament.

Hon N.F. MOORE: The member is right. Clause 4(1)(c) means that regulations made under the Trade Practices Act by the Commonwealth Government will apply as law in Western Australia, in the same way that any amendments to that Act will apply to Western Australia unless we deliberately, by proclamation, do not agree. I am advised that the same proclamation could be used in relation to regulations. In other words, if regulations are made by the Commonwealth Government without going to the Commonwealth Parliament. Of course, the States will be advised. That is a modification of the Competition Code and includes the regulations. Any modification of the regulations will be subject to the State's rejecting it by proclamation. The capacity exists for the State Government, not the State Parliament, to prevent that from happening, by proclamation.

In respect of the veto in section 51 of Trade Practices Act, apparently it has always been there. The Commonwealth has power to veto decisions. My advice is it has rarely if ever been used. One can only hope that the attitude remains and that the spirit of cooperation continues - that is the reason this legislation is being introduced. If State Parliament does not like what happens in future it has the capacity to introduce or repeal its legislation and to set up its own competition arrangements. We are entering this process in a spirit of cooperation. Although the cards are stacked in favour of the Commonwealth - which is usual, in my experience - one must work on the basis that a spirit of cooperation exists.

Hon Kim Chance: But we still have button B.

Hon N.F. MOORE: We can always say no to any changes. We can get out of it if we want to.

Part put and passed.

Part 3 put and passed.

Part 4: Application of Competition Codes to Crown -

Hon KIM CHANCE: I turn to clause 15(1)(d) which relates to the acquisition of primary products being deemed to be not a business unless the acquisition occurs because a body wishes to acquire a product. In other words, it is a voluntary process. The example I gave at the second reading stage was the Meat Marketing Corporation choosing to enter the hogget market, but not being bound to acquire. Regarding the whole effect of the definition of activities that are not a business, is it fair to say that the Government does not regard this as a transitionary clause? This is important to the statutory marketing authorities. Effectively the reason that the power of acquisition by compulsion is set aside from the effect of the competition principles is because of clause 15, which deems that that activity is not a business. As it is not a business, and as it is placed in the same group of activities as the imposition of the collection of taxes, it is set aside from the application of the principles. It is regarded as a transitionary matter. Is it the intention of the Government to carry on legislating in the medium term in this form?

Hon N.F. MOORE: As I have said earlier, there is no intention that this be a transitionary position. That assurance is given.

Part put and passed.

Part 5 put and passed.

Part 6: Miscellaneous -

Hon KIM CHANCE: I refer to clause 39, which is also a key clause. My specific questions may be ruled out of order and we may need to deal with this matter when considering the schedule. This clause enables the Bill to access section 51 of the Trade Practices Act, which would become part of the code - section 51 being the enabling clause for exemptions. No reference is made to vetoes by the Commonwealth. At this point the Deputy Chairman may rule me out of order -

The DEPUTY CHAIRMAN (Hon W.N. Stretch): I am advised that we will not deal with the schedule, because it is covered by part 2.

Hon KIM CHANCE: In that case, I will phrase my question to make it fit within the ambit of this clause. I take it that this clause enables the State access to that part of what is now the code, in what was section 51 of the Trade

Practices Act, to allow the State to exempt specific things which would otherwise be impossible to do. Will that be the effect of this clause?

Hon N.F. MOORE: The clause will allow the State to make regulations, in compliance with section 51 of the Trade Practices Act. The State has the capacity to pass legislation in similar terms. It must refer expressly to the Trade Practices Act and Competition Codes.

Hon Kim Chance: But it allows the State to do something it would otherwise not be allowed to do?

Hon N.F. MOORE: Effectively, yes.

Hon Kim Chance: Now that we have arrived at that point and I have made the linkage with section 51, where is the commonwealth veto?

Hon N.F. MOORE: I do not have a copy of the Trade Practices Act. I understand that the power of veto is contained within a separate section of the Trade Practices Act and gives the Commonwealth the power to override the States. I am happy for the officer to talk to the member about that. There is a tie up with section 51, but I do not have the section that provides the veto.

Hon Kim Chance: I am satisfied with that.

Part put and passed.

Parts 7 and 8 put and passed.

Title put and passed.

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by Hon N.F. Moore (Leader of the House), and passed.

COMPETITION POLICY REFORM (TAXING) BILL

Second Reading

Resumed from 3 September.

HON KIM CHANCE (Agricultural - Leader of the Opposition) [9.14 pm]: This is probably the simplest form of legislation. It is entirely consequential on the Competition Policy Reform (Western Australia) Bill and the Opposition is pleased to support it. The Bill contains only 3 clauses and the only active clause is clause 3, which deals with the imposition of taxation. The principal Act creates a liability to pay any fees that might be prescribed by regulation under that Act except to the extent - it is an important exception - that the fees might be deemed to be taxes. Where a fee might be deemed to be a tax it is required that a separate Bill be introduced. This separate Bill can be dealt with only with the imposition of taxation and no other matter. This is a requirement under the Constitution Acts Amendment Act. No other principle is involved and the Opposition supports the Bill.

HON TOM HELM (Mining and Pastoral) [9.15 pm]: The Opposition welcomes this Bill. The Labor Party is keen to see that it gains the agreement of the whole House. It has been badly needed for quite some time and it would be ridiculous to vote against it because it is so important to the Competition Policy Reform (Western Australia) Bill that has just been passed. There are times when we must all bite the bullet and recognise that taxation policies arising from competition must be put into place whether we like it or not.

You will be aware, Mr Deputy President (Hon Barry House), that the Labor Party has agonised long and hard about this measure. However, we found that at the end of the day we would have to support it because of the importance of the previous Bill.

Hon W.N. Stretch: It looks as though everybody is out over there.

Hon TOM HELM: It is obvious that members of this side of the House are enthusiastic about supporting this Bill! We can hardly get the members out of the Chamber to have their cup of tea that we sometimes need as a result of the onerous work we do! As the Leader of the Opposition said, the only active clause is clause 3, which provides for the taxation which may arise as a result of the principal Bill. This Bill provides for complementary measures to the principal Bill. I doubt very much that I can describe the passion with which this was debated in the Australian Labor Party Caucus room. Nonetheless, I encourage every member of the House to cooperate and appreciate that the measures before us are perfectly sensible. I urge members to support the Bill.

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [9.20 pm]: I thank honourable members for their support of this legislation. Section 46(7) of the Constitution Act requires a separate Bill for taxation purposes. May I clarify something I said in the second reading response when I talked about this Parliament having power to disallow proclamations. My understanding now is that was not correct and we probably cannot do that. I will look at it closely in the future. We need to contemplate the issue. If there are serious issues, we must collectively sit down and discuss them.

Question put and passed.

Bill read a second time, proceeded through remaining stages and passed.

CIVIL AVIATION (CARRIERS' LIABILITY) AMENDMENT BILL

Second Reading

Resumed from 18 September.

HON KIM CHANCE (Agricultural - Leader of the Opposition) [9.23 pm]: The Opposition supports this Bill. We received a good briefing on the Bill on Monday afternoon. We were impressed with the necessity to proceed with the Bill because if it were delayed for any reason and a tragedy occurred, I do not think we would ever forgive ourselves. The Bill had its genesis in tragedy. It arose from Commonwealth legislation and an incident in Queensland where a small airline had a plane come down with the loss of all of its crew and passengers. That plane crash was investigated and, when the Civil Aviation Safety Authority conducted its post crash checks on the aircraft, it found the aircraft was not airworthy because some of the instruments had been removed from the aircraft and not replaced. As a result, it was left open for the aircraft carrier insurer to walk away from its liability in respect of the public liability policy that was held by the carrier.

In response to that, the Commonwealth acted fairly quickly. Without going any further into the nature of that incident, the Commonwealth obviously sought legislation to correct more than one aspect. The first matter it sought to correct was that, where an airline was found to be flying an aircraft which at some later date after an incident was found not to be airworthy, the insurance cover that was carried by the courier could not, in effect, be voided by the fact that the aircraft was not airworthy; in other words, the insurer could not walk away on the grounds of a later finding that the aircraft was not airworthy. That will create one or two little problems, which we will get into in a moment.

I shall plot three changes that occurred. Another change was an increase in the cover for passengers who are carried by civil aviation companies. The civil aviation excess rose to $500 000. Probably more important in respect of the long-term effect of the legislation was that the Commonwealth required that licensed air carriers submit a certificate of insurance which verified they had up-to-date air cover. In the absence of the submission of that certificate it was open for the Commonwealth to seek an injunction against an air carrier preventing its continuation of service with that aircraft. So the carrier is insured, but each of its aircraft which is licensed needs to be certificated as insured at all times. That in itself has a flow on effect.

If insurance companies are to be required to provide cover for the possibility of incidents for all aircraft, whether airworthy or not, they will make sure that each aircraft operated by the carrier is of an acceptable standard of airworthiness. Ultimately they have no way of escaping the risk should a later investigation find that the aircraft should not have been in the air. That in itself carries significant benefits for consumers of the services provided by commercial air operators of both charter services and airline services. I would not expect that registered airlines would find themselves in any difficulty with this legislation because they have very high standards, as indeed do the vast majority of charter carriers.

All I have been talking about is commonwealth legislation. It is necessary for this Bill to cover those parts of the aviation industry which the commonwealth Bill cannot cover, because the commonwealth Bill can only apply to part of the interstate services. Each jurisdiction is required to carry identical legislation to cover intrastate air services. One of the other factors that defines this as uniform legislation is that the enforcement of the law under this Bill, once it becomes an Act, will be carried out by the commonwealth jurisdiction as if it were a law of the Commonwealth and not a law of the State. In effect, we are passing a law here that will be enforced by the commonwealth Civil Aviation Safety Authority. The Bill picks up the state regulations, and the state legislation will be enforced by commonwealth authorities. How will regulations in this Bill be amended? Will we simply adopt the commonwealth regulations as they are now and as they may change from time to time? If we do that, will it be done through a process of adopting them or will the regulations be proclaimed and gazetted in Western Australia in the normal process, which will allow for a disallowance motion?

Hon E.J. Charlton: It is the latter, because this is not a direct take of the commonwealth legislation, although it is consistent with it.

Hon KIM CHANCE: That makes me happy. We will pick up the commonwealth regulations, and they will be gazetted in Western Australia and as such be disallowable.

Hon E.J. Charlton: I will check on that and confirm it.

Hon KIM CHANCE: In the briefing that was provided we asked what level of support the aviation industry had given to this legislation in its consultation stage; in particular, to what extent had the charter industry been consulted, as that will be the segment of the industry most affected. To the extent that the Opposition has received any negatives, they have come from that sector of industry. When we sought the advice of Department of Transport officers, it was their feeling that that level of consultation had probably been carried out at the commonwealth level rather than the state level. We were advised that all operators in the aviation industry were aware that the changes were coming. At that stage we had only just put the question to the department and it was not aware of how the charter sector of the industry had responded, and felt that a response would probably be held by commonwealth officers. I would appreciate a comment on that at the appropriate time.

To what extent will this impose additional costs on the aviation industry? Although this will improve safety standards, there may be additional costs in, for example, the requirement for the insurance certification each year that will imply a more regular safety check than the standard air worthiness certificate checks that apply in the industry. I am advised, although I do not have any firm evidence of this, that if an additional cost were imposed, it would only be marginal. The Opposition must think about the consumers in the industry and the degree to which the safety standards in the industry will benefit them. Australia already has a very safe aviation industry by anybody's standard. I am told, not even arguably, that it is the best in the world. We have some exceptionally good flying conditions as well. Anything that we can do to ensure that the highest possible standards are applied right across the industry will justify some increase in cost, particularly if it were marginal. If higher safety standards are a consequence, that would be considered by most people to be a desirable outcome. It is unlikely - although the only evidence I have of this is anecdotal and fairly scarce - that an air charter operator who is already operating a service of a very high standard of maintenance to all required safety levels would be involved in any additional cost. However, if this legislation has the effect of making insurance companies more diligent in following up their clients in the aviation industry and ensuring that the highest level of safety standards are complied with, that will benefit everyone and the aviation industry in particular.

Having read about that aircraft accident in Queensland, and the circumstances that surrounded the maintenance levels on that aircraft, I was horrified to think that anybody would fly an aircraft in that condition, even if it was a private aircraft, let alone an aircraft which was entitled to carry passengers, and that charter company could pose as an airline and not simply a charter company.

That brings me to the point of aviation safety, and regulation and deregulation generally. I am not impressed with those parts of the world where aviation safety standards have been effectively left to the industry to regulate. I cannot say that I have any time at all for the argument that has been put in Australia from time to time that we should move towards the system which is practised in the United States. We have only to look at the safety standards which exist in the US and the accident statistics coming out of the US aviation industry to realise that something is terribly wrong in that industry. Time and time again we hear about air crashes, and sometimes significant crashes involving hundreds of people, which on virtually every occasion can be attributed to poor maintenance. Jet engines that were due for service hundreds of hours earlier have not been serviced; and accident investigators can point to a turbine blowing itself to bits and effectively cutting the wing off an aircraft. Anybody who understands the first thing about the principle of jet engines knows that a jet turbine involves a fairly stable core and a highly unstable periphery, where the vanes in the jet engine have massive peripheral speed and a high level of metal fatigue. The core is unlikely to ever come unhinged, because its speeds are low. However, on the periphery of the moving parts of a jet engine the speeds are incredibly high. They have a very defined shelf life because metal fatigue sets into the vanes. Eventually, if one keeps running a jet engine and not servicing, it will turn itself into a very large bomb. That is exactly what is happening with some of the engines of US airliners.

We have seen the same situation on a smaller scale with helicopter rotors. We have had tragic accidents in Western Australia recently because of rotors failing as a result of metal fatigue. In one case the rotors of a commercial helicopter involved in mustering and charters were due to be replaced 400 hours prior to the accident. That tragic accident should never have happened and would never have happened had standard, recognised safety and maintenance procedures been put in place.

I appreciate that that is slightly aside from the intent of the Bill. However, the Bill is designed to do one thing among others - to ensure that the highest level of safety standards is maintained. It goes a little further and ensures that

insurance cover is raised for those people who are tragically killed in accidents of this type. Fundamentally, this is a security measure not only for charter and airline passengers but also for the aviation industry itself, which enjoys the highest reputation in the world - and deservedly so. It is a very good and professionally run industry. I hope that we continue with legislation like this, which will see the aviation industry going from strength to strength rather than backwards and chasing the lowest possible dollar in terms of outputs but at the cost of human lives.

HON TOM HELM (Mining and Pastoral) [9.45 pm]: I, too, thank the Minister for providing us with the briefing. I support the Bill. I am worried about the last paragraph of the Minister's second reading speech, where he states -

> The Bill will provide the public travelling on commercial aircraft with a greater degree of certainty that compensation will be paid in the event of death or injury in an air crash.

He can stick my compensation. My wife might like it.

Hon E.J. Charlton: It is for your loved ones. How many do you have?

Hon TOM HELM: A few, but most of them are children.

Hon E.J. Charlton: That is not helping the situation.

Hon TOM HELM: I do not take a great deal of comfort from the fact we are ensuring that compensation will be paid. However, I do take comfort from the fact that this legislation will make for a safer airline industry. I hope we will avoid the tragedies that have happened in the east. We have a very safe industry, and that is in no small measure because of the responsibilities taken on board by Governments of various shades in ensuring that we have an aviation industry which we can be proud of and which is the envy of the world.

When reading this Bill and the second reading speech one could be forgiven for thinking that costs will increase for passengers. There is a certain amount of logic in thinking that if people are satisfied that our aircraft are as safe as they can be, there is a good chance that insurance premiums will be reduced because the incidence of accidents will be reduced significantly, as will the payouts by insurance companies. As a result, we will see some reduction in costs.

This is an appropriate moment to pay tribute to the company I fly with in the north west on a regular basis. I am sure Hon Norm Moore, Hon Phil Lockyer, Hon Tom Stephens and Hon Mark Nevill will join with me in thanking Polar Aviation, the charter aircraft company we use out of Port Hedland. It has a proud record of service in the industry. The owner, Clarke Butson, has probably reached the pinnacle of service provision. This company is a fine example of how one can serve without servility and achieve efficiency without coldness. In other words, the company provides friendly efficiency and one always feels confident that the service is as safe as it can be. If there were any danger of things not being 100 per cent safe, the aircraft would never take off. That cannot be said about other airlines I have travelled with when a Polar Aviation service was not available - and I say that with some authority because I have travelled with a few. I spend most of my travel allowance on charter aircraft flights. I have used four-seaters to 12-seaters and single engine aircraft to twin engine aircraft. There is no doubt I feel comfortable and I am assured that I will get to my destination safely when I travel with Polar Aviation.

I can recall one occasion when Clarke Butson flew us from Karratha to Newman to attend a function. A cyclone was on its way and the weather was pretty rough. We flew for about two hours and because there was no visibility at Newman - we could not distinguish the horizon - and it was too dangerous to land, we turned around and travelled another two hours back. Although Clarke was anxious to see that I got to the function, he was not anxious to put us on the ground because of the danger of a nasty accident. That is an example of the service from the chief pilot and owner, but it is also the standard observed by the other pilots. They are always willing to put in a little extra. They recognise that members of Parliament sometimes have to rough it because of lack of accommodation, and they do the same thing. There is always an understanding that everyone mucks in; there is no elitism. We get on as friends and get the business done. Not only are they good pilots, but they understand the position we are in as members of Parliament and make the journey as safe and as comfortable as they possibly can.

This Bill contains a lot of good news. It is quite obvious that we need a Bill of this nature to reflect federal aviation laws and to assure everyone in Australia that they will enjoy the same insurance and other standards across the board. Although this Bill is uniform in nature, it is not a piece of uniform legislation. It is quite sensible and does not smack of federalism. It is quite a useful piece of legislation that will ensure all people who fly in Australia will know the provisions covering civil aviation in one State will be similar to those in another State. It will ensure similar safety standards are applied for all aircraft. There will be less likelihood of aircraft taking off that are not airworthy, as was the case in at least one accident in the Eastern States. Those sorts of incidents will be reduced significantly if all civil aviation operators are covered by similar legislation.

I am less comfortable with the self-regulatory style of the Civil Aviation Authority. I asked Clarke Butson for his opinion on this Bill. His immediate reaction was similar to mine: He said that we should not pay more money to the

surviving families of dead people; rather, fewer people should be killed in aircraft accidents. I agree totally with that philosophy, and I think this Bill will have that effect. It will discourage the fly-by-nighters and the cowboys in the industry from opening for business and taking their aircraft into the sky when they should not do so. The insurance companies will take on some responsibility to see that the aircraft will not be involved in accidents which will result in the insurance companies facing huge liability claims. It will be an offence for an operator not to comply with regulations and codes of conduct that are contained within this Bill. The operators will be liable to various penalties that now appear in the commonwealth legislation.

I think the Minister has answered the concerns of Hon Kim Chance about the regulations. Clause 41K sets out the areas for which the regulations may make provision. One regulation allows the Commonwealth to be the agent for this State and, although I have some concerns about that, it is not a particularly bad thing. It reflects the uniformity of the laws intended under this Bill.

I hope the Minister can shed some light on clause 41L, which relates to delegation. The usual delegation to the director, the chief executive officer, is covered. It also refers to delegation to an officer of the Civil Aviation Safety Authority, the new authority. I ask the Minister to inform the House whether this delegation is as wide as it seems to be and why this provision needs to be included in the Bill. Apart from that, the legislation is good. It is the closest we can get to demonstrating, as a Parliament, that we intend to continue to have the best aviation industry in the world. If we can do that, we will put to one side the fears some people have about flying in small chartered aircraft and will give peace of mind not only to passengers travelling in these chartered aircraft but also their families and friends who may be concerned about them.

This legislation provides another plank in building up the tourism industry, particularly in the north west of this State. The tourism potential of the large spaces in the north west will be enhanced by the fact that more chartered aircraft operators will be in the air and working safely. People from overseas will be able to travel to that part of our great country by air, rather than by road, which can be a long and tiring trip. Some of the sights that can be seen from the air in the north west are spectacular and unlikely to be seen anywhere else in the world. I thank the Minister for providing us with the briefing, and I support the Bill.

HON E.J. CHARLTON (Agricultural - Minister for Transport) [9.56 pm]: I thank Hon Kim Chance and Hon Tom Helm for their support of the Bill, and their acknowledgment of the information provided during the briefing. I always appreciated the briefings I was afforded when I was in opposition. It enabled us to get the full context of legislation to ensure we understood the initiatives that were being taken.

This Bill is essential. As a consequence of the safe operation of airline movements in Australia, particularly in Western Australia, we have an outstanding record. As with all insurance policies, we hope they are never put to the test. However, it is important in the case of a tragedy that occurs for whatever reason, to have an assurance that proper coverage is in place. That is what we will achieve.

As members opposite will have been advised during the briefing, a working group has put this legislation together to get a consistent approach right across Australia. It is necessary to have the same regulations in place across the nation. Associated with this legislation will be the regulations that will be consistent. There will not be an opportunity to vary those regulations from State to State. However, there will be an opportunity to allow the State to act in the operation of those regulations within its jurisdiction. It would defeat the whole purpose if we had the power State by State to vary those regulations. We have the power to deal with the total administration of the operation of these aircraft carriers. There needs to be stability. The States agreed to carry this legislation forward on this basis. As members will know, this Government is reluctant to enact federal legislation, operating under a template process. We have the best of both worlds in this case. I thank members for their support of this Bill and I look forward to its implementation.

Question put and passed.

Bill read a second time, proceeded through remaining stages without debate and transmitted to the Assembly.

SKELETON WEED AND RESISTANT GRAIN INSECTS (ERADICATION FUNDS) AMENDMENT BILL

Second Reading

Resumed from 22 October.

HON KIM CHANCE (Agricultural - Leader of the Opposition) [10.02 pm]: The House has been waiting for this legislation for a long time.

Hon B.M. Scott: Get all those skeletons out of the cupboard.

Hon KIM CHANCE: Yes, this is when we rattle all those skeletons out of our cupboards.

Hon J.A. Cowdell: The election can proceed after this one.

Hon KIM CHANCE: Indeed. This is an important Bill. As the last Bill members dealt with, the Civil Aviation (Carriers' Liability) Amendment Bill, had its genesis in a tragedy, it could be fairly argued that this legislation had its genesis in what could be a disaster for Western Australian farmers. This Bill was sparked by the outbreak of a disease that has occurred twice before in Western Australia, in 1960 and 1994. It is a fungal disease of lupins known as anthracnose. Anthracnose first appeared in the latest outbreak in spring this year in the northern wheatbelt, initially in the broad leaf lupin that is known as the albus lupin, or *Lupinus albus*.

Lupinus albus is a minor lupin in Western Australia's overall production. It is a species that has a particular market and it is rapidly growing in importance in the marketplace. Nonetheless, the Western Australian lupin industry is based on the narrow leaf lupin, *Lupinus angustifolius*. As far as I know, anthracnose is yet to affect *Lupinus luteus*, the yellow lupin.

It is a serious matter because already a large amount of this year's crop has had to be destroyed because of the outbreak of the disease. As with any fungal disease, it is extremely difficult to quarantine the disease or to limit its spread, because fungal diseases by their nature spread by spores. It is much more complex to try to contain a spore borne disease than it is a viral or bacterial borne disease. Spores are minute. They can travel for many miles on the lightest of winds. Their atomic weight is virtually nil, so their capacity to move and disperse throughout large areas of the agricultural region is frightening. We can only hope that the control measures that have been put in place have had an effect. However, we will not know that until spring next year when the full extent of the damage will be known.

Tragically, while the outbreak seemed to be confined to the albus lupin, the broad leaf lupin, it became evident as the inspection processes that followed the initial outbreak became more thorough that it had spread into the narrow leaf lupin as well, and that lupin is the backbone of the lupin industry.

Hon Murray Criddle is far more knowledgeable than I on the lupin industry because he lives close to where the industry first began and first became a major industry. It is very much an industry peculiar to Western Australia. The lupin is a Mediterranean plant. It is not a big commercial crop in the Mediterranean area, including North Africa, or anywhere else in the world. It is one of those legumes that can produce large tonnages of high quality stockfeed, and now food of spectacular protein levels for human consumption, from poorer soils and requiring only modest amounts of rainfall. Rainfall that is sufficient to grow a crop of wheat is more than enough to grow a viable crop of lupins. The industry has essentially developed from Mediterranean sourced cultivars but was crossbred in Western Australia by Agriculture Western Australia and adapted to Western Australian conditions. It has become an extremely important crop to Western Australia. To have a crop of this size threatened by the outbreak of an exotic fungal disease - it is an exotic; it is imported with seed - is nothing less than a tragedy. The extent of that tragedy will not be properly known until spring next year when we know how far the spores have dispersed and how serious the outbreak will be.

This Bill is preparing for what might happen next year and it also sets right some of the things that have had to be done this year to compensate growers who have had to sacrifice their crops to prevent the spread of the disease. That sacrifice was made in the interests of the whole industry. There is not a single question in my mind that this legislation is totally justified.

In the light of the fact that no established fund exists - this Bill will establish a fund to provide compensation - the Grain Pool of Western Australia stepped into the breach and agreed to fund the compensation for growers who ploughed in their crops. I have said some nice things about the Grain Pool in this place in the past. It is not because it gave me a nice tie which I wear at least once a week in Parliament - although it did that. I have a very high opinion of the Grain Pool, and that is one of the reasons I took such a close interest in the policy reform Bill. It has a particular effect on the Grain Pool and the growers who supply the pool. It agreed to fund the compensation package, and this Bill will put in place mechanisms so that adjustments can be made to refund the Grain Pool. Somebody had to step in in the first place to supply the fuel on which this engine will run until such time as the proper mechanisms are in place.

In the longer term the fund will be self-sustaining and will be contributed to only by growers. It will be very much a case of growers funding their own compensation provisions. It should never be thought that there is any question of taxpayers' money going into this. Grain growers will look after other grain growers in their mutual interest, and for that reason the Opposition is keen to support the Bill.

It was thought that the most effective mechanism to provide for this fund in a legislative sense, and in the logistical sense of developing and administering the fund with the best model, was the existing Skeleton Weed and Resistant

Grain Insects (Eradication Funds) Act. That Act was put together for purposes which are obvious from its title; that is, to compensate those growers who had to destroy crops or go to other expense as a result of the presence of the declared weed, skeleton weed. The reference to chemically resistant grain insects was a later addition to the skeleton weed legislation. It is appropriate legislation and I understand why the Government has taken that action. It may well be the only mechanism available, because one of the great difficulties in providing a fund of this type is that the State does not have the power to excise. Whenever a levy is placed on a given commodity for a given purpose, the Government runs into the legal question of whether an excise has been imposed. When the skeleton weed levy was first put in place to meet the emergency need to fund the eradication campaign, because of the difficulty of confusion with an ad valorem levy - a price per tonne of wheat, for example - it was decided that, if it were to be regarded as an excise, the State could not do it. It was handled at that time by imposing a flat levy on every grain grower regardless of whether the grower produced 15 tonnes or 15 000 tonnes of wheat. That obviously was not popular, but people battled with it for a couple of years before ultimately finding a way to introduce an ad valorem levy. It took some doing and I do not minimise the difficulties faced by the Government of the day.

Now that the model has been successfully tested and constructed, it was a remarkably simple choice for the Government to look to the skeleton weed levy to provide the shelf company to put in place this other levy. At this point I sought the advice of the Minister for Transport and Hon Murray Criddle because, subsequent to the briefing, I had in my mind that it was new legislation and this Bill would create two separate Acts. Once I read the second reading speech again, I realised I had it wrong. This Bill is simply an amendment to the existing legislation, so only one principal Act will exist although, as a result of this Bill, two separate funds will be in operation. There will be no transfer of funds between the existing fund and the fund for the eradication of plant diseases.

Hon M.J. Criddle: It is for the eradication of pest or plant diseases, because this problem may well arise again.

Hon KIM CHANCE: This fund and the modifications inserted, which were far more extensive than at first thought, are not simply for the eradication of the disease anthracnose even though that disease has created the need for this legislation. In the event of something similar happening in the future, the fund and the legislative capacity to alter the levy in any way will be available to meet that need. With the benefit of hindsight, it would have been better at the time the skeleton weed levy was constructed to have thought more about the levy. However, it is impossible sometimes to think ahead and anticipate the needs that might arise in the future. This disease certainly came out of the blue, although there had been two earlier known outbreaks. One occurred in 1960 in blue lupins, which I was most surprised to learn about, and one in 1994, which I learnt about recently from a parliamentary question, at Agriculture Western Australia research stations from seed imported from Germany or Poland. I am interested to know whether the source of infection of the 1960 outbreak is known and if it has been tracked down.

Hon E.J. Charlton: At this stage they are telling us it is unknown.

Hon KIM CHANCE: It has come out of the blue. That is quite possible, given the nature of spore borne diseases such as fungal diseases. It is a tragedy. It also points to a matter which has been of concern to me for some time; that is, the level of examination to which imported seed is subjected. I know that the 1994 outbreak, which we believe was successfully contained, came from seed imported from either Germany or Poland. If it is known to come from either of those two countries, that means there is a likelihood that the sample was identified. How does this seed come into the country without its being recognised? There is the possibility of either weed seed infestation or spore borne diseases or any other kind of disease which attaches to the seed. I imagine it would be extremely difficult for scientists to detect the presence of spore borne diseases. It concerns me that this is happening because this year a number of weed seeds were imported in a particular sample of canola which came in from New Zealand, at least two of which weeds were not known to be present in Western Australia before. We are yet to know what the effect of that will be. While that in itself is a matter of serious concern, it pales in comparison with the potential outcome of the spread of anthracnose.

I have mentioned the importance of the lupin industry in Western Australia. In fact, the second reading speech states that the lupin industry is now worth $200m a year in Western Australia alone. It is an extremely important industry in Western Australia. I have referred already, albeit fleetingly, to the fact that crops that were found to be infected have been ploughed in. I also have a question on notice about that. The crops which have been ploughed in have been identified in the second reading speech as being those which were severely infected. Do I take it that less severely infected crops were not ploughed in?

Hon E.J. Charlton: Not in my understanding. I understand all infected crops were ploughed in.

Hon KIM CHANCE: The second reading speech states -

> The response to control the spread of the disease has been to inspect thoroughly and destroy by ploughing severely infected crops under the direction of Agriculture Western Australia.

That left it open to me to wonder - I know there were some lightly infected crops, particularly in the narrow leaf lupins - whether some crops were found to have infection and were not ploughed in, even though some other mechanism was put in place to effect control such as ploughing in those small sections which were known to be infected. However, even if every infected crop and every infected portion of crop in those less severely infected areas has been ploughed in, the sad fact is that infected crops will not be detected and not controlled. Even in the ploughed in crops, there will still be a potential for some of the spores to escape, simply because of the pernicious nature of fungal spores and their ability to spread, particularly in the conditions which exist in the wheatbelt this year, which are exceptional growing conditions and exceptional growing conditions are always likely to create conditions where the spread is more rapid and wider than it would be in a normal year.

I wanted to raise that question about the extent of the control mechanisms that have been put in place. I sincerely hope that the control mechanisms have been as good as they can be and that they will be effective, because we have seen diseases of various types in various crops occur in Western Australia in the past which have totally wiped out very promising industries. One which comes to mind quickly even though the industry has since risen phoenix-like from the ashes, is canola. The canola industry on the south coast of Western Australia some years ago was totally wiped off the map by a disease called black leg. It was not until black leg resistant varieties emerged that we saw the slow regeneration of the canola industry. Only in the last four or five years has canola been re-established as a crop of major importance in Western Australia. It is unthinkable that that might occur in the lupin industry. I sincerely hope it does not. I know that when the infestation was found for the first time in narrow leaf crops it was a major tragedy for lupin growers throughout Western Australia, who hoped beyond hope that the disease would be confined to the less widely grown broad leaf albus variety.

I commend this Bill and the Government for its speed in bringing it forward. The Opposition is pleased to cooperate in supporting the most rapid passage possible even though it came on a day earlier than we would have liked.

HON M.J. CRIDDLE (Agricultural) [10.26 pm]: I come from the heart of the lupin growing country. I have been growing lupins for approximately 20 years. This came as a complete shock to the industry. When it was identified it became a very emotional issue because this year has been a great season in that part of the world and there is nothing worse than seeing one's very best crop ploughed in because it is diseased.

The lupin industry across the wheatbelt has led to a great improvement in the yields of all the cereal crops. It has also helped the sheep industry for the export of the young sheep straight off the lupin stubbles. Therefore, it has had an amazing impact along with early sowing, deep ripping and other mechanisms that have been put in place in the cereal industry. That has probably doubled the yield of wheat on the light land country. While white lupins have done that, albus have done very similar things to the red country. With some 30 000 hectares of albus lupins being planted this year, it will have a great impact. As recently as today I heard that there have been 15 further finds of anthracnose in the narrow leaf lupins, which is the angustifolius. If that happens to spread through the angustifolius crop, which is worth $200m just for the grain, let alone what it does to improve the country, it is a serious problem.

When this was found the industry decided immediately to organise itself to rid the opportunity for spread of the disease. It was decided that this year, apart from the seed that would be kept for research, the seed from the albus lupin crops would be sold. An amount of money would be set aside as a grower voluntary levy to pay for ploughing in all the crops which have the ability to spread the disease. It also has subsequently been found that most of the diseased crops have the ability to spread the disease. It has been found that there is some doubt about the value of ploughing in the lupin crops and how long the disease remains in the soil. I understand the disease can stay in the soil for three or four years. Therefore, it would be necessary to keep lupins off that soil for some time. A suggestion has been made that any machine or bin used for gathering, carting or storing the grain would have to be cleaned out. It really has become a substantial problem.

I praise the efforts of Agriculture Western Australia representatives in the area. Rob Delane, who is in charge of the pulse industry in Western Australia, has done a marvellous job. Immediately this problem came to light Agriculture Western Australia sent out its officers into the farming community to try to identify the disease on farms. In the first couple of days 70 properties had been examined. It was not very long after that that hundreds of properties had been examined and the disease in albus lupin crops had been identified in approximately 50 properties. Recently white lupin crops have been found to have the disease. A lot of praise should go to Rob because he has worked very hard. Ron Sweetingham is another lupin expert who has been working in the field for long hours. I know he has already commenced a breeding program to try to isolate this disease and breed some sort of resistance into the plant for future years.

The lupin disease is most prevalent around Mingenew, Morawa and parts of the Chapman Valley just out of Geraldton. It is confined to a reasonably small area. I know that some farmers who are growing the albus lupin outside this confined area would like to continue to grow it for the reasons I pointed out. They will suffer if they

cannot rotate their crops in the future. The impact will be on not only those people who will lose their crop this year, but also those who cannot grow the lupin even though their crops are not diseased this year. It is an ongoing problem.

Hon Kim Chance said the farmers were very concerned about the mechanisms which had been put in place to screen the lupins. Canola is another seed which has recently been contaminated. Some questions have certainly been asked about the effectiveness of the Australian Quarantine and Inspection Service. I endorse Hon Kim Chance's remarks about that service. It certainly needs to be placed under review. I understand that the federal Minister has stopped the importation of lupin seed for the next six months and I am sure there will be an extension if it is necessary. The Western Australian blue lupin has also been affected and that creates a real problem, because it is spread throughout the agricultural region.

Hon P.R. Lightfoot: Is that the native lupin?

Hon M.J. CRIDDLE: Yes, it is. It will create a huge problem because it is widely used on the lighter country for sheep feed.

Hon Kim Chance: The 1960 outbreak was in the blue lupin.

Hon M.J. CRIDDLE: That is correct. One of the great things which has come out of this problem is the cooperation within the industry. The Western Australian Farmers Federation and the Pastoralists and Graziers Association have banded together to put these mechanisms in place to keep the industry free of this disease in the future. The work they have done has been effective. They recommended that the compensation fund be put in place. As Hon Kim Chance said, the Grain Pool has made the funds available. It will be of some assistance in making sure that the diseased crops are ploughed back into the soil. The farmers will be compensated in the near future.

This is a very important Bill because if the disease spreads nobody will know where compensation will start or stop. The legislation provides for an industry advisory board to be charged with the responsibility to determine who can access the compensation fund. I support the Bill.

HON E.J. CHARLTON (Agricultural - Minister for Transport) [10.36 pm]: Madam Deputy President -

Hon George Cash: I was going to speak on this Bill.

The DEPUTY PRESIDENT (Hon Cheryl Davenport): Order! The member was too late.

Hon George Cash: What are lupins?

Hon E.J. CHARLTON: In most cases they are white and sometimes they are speckled.

I acknowledge the comments made by Hon Kim Chance and Hon Murray Criddle. For a moment I thought the House would hear from a member who represents the North Metropolitan Region. I thought he would give an in-depth appreciation of the benefit that lupins have brought to the sand plains of the outer metropolitan area. However, it appears we will have to wait for another day to hear his comments.

Hon Kim Chance: They are useful plants in the north metropolitan area.

Hon E.J. CHARLTON: Exactly, and with the vast experience Hon George Cash has had in moving around the North Metropolitan Region and seeing the blooming blue flowers of the Western Australian blue lupin, which he would acknowledge is of extreme value, we would have benefited from his contribution. I look forward to hearing his comments some time in the future.

Hon Tom Helm: I thought he was going to buy a lupin ranch.

The DEPUTY PRESIDENT: Order!

Hon E.J. CHARLTON: Hon Kim Chance and Hon Murray Criddle have outlined the task confronting the industry. This Bill demonstrates the Government's wish to put in place a mechanism to provide the vehicle by which it can attempt to address the financial problems which will result from the diseased lupin crops. Hon Murray Criddle said that it was yet to be determined in what form the financial assistance would be given to the farmers whose crops had been affected by this disease.

Reference was made today to the disease being found in the mainstream lupin crop. If the disease continues to spread the compensation assistance package may very well need to be reconsidered. No doubt there will be a lot of worried people. A request has been made for an immediate inspection of all the crops in this State to ascertain what disease, if any, has occurred. Initially, the albus lupin crops were inspected and it was not considered important to examine the other lupin crops. However, the outbreak in other species of lupin has put a different complexion on this issue. That makes no differences to the need for this legislation. This simply provides the opportunity for industry to respond in a practical sense.

Hon Kim Chance: Do you agree with me that we are not really going to know the full extent of the problem until this time next year?

Hon E.J. CHARLTON: I agree with the member that a lot of speculation will arise about how long the disease has been here. As with many of these matters, the understanding is in early development.

Hon Kim Chance: We did not notice it.

Hon E.J. CHARLTON: Perhaps it has not been here since 1960. It may be that the climatic condition this year brought it out. As we know with diseases, insects or plants themselves, they can come to the fore in certain climatic conditions. Even with no action, this disease might not have become apparent for another 10 years unless conditions prevailed in a certain area to bring it to the fore. That is a layman's explanation of the circumstances.

Hon Kim Chance: Yellow spot is a classic example. In the same parts it is in plague proportion one year, and not seen for a further 10 years.

Hon E.J. CHARLTON: We saw the locust plague a couple of years ago and spraying took place. Probably, in retrospect, it may have been better not to have taken that action -

Hon Kim Chance: It would have a run its course.

Hon E.J. CHARLTON: Indeed.

Hon P.R. Lightfoot: Does it affect other lupins?

Hon E.J. CHARLTON: That is unknown. Who knows at this stage? There will probably be a great deal of speculation in the next weeks, months and probably years on that point. We need, as Hon Murray Criddle said, Agriculture Western Australia to busy itself and draw on all the expertise it can to research this matter and find out where the disease exists elsewhere in the world, how it got here, and what action needs to be taken to eradicate it.

Skeleton weed, to which the Act we are amending relates, is widespread in the Eastern States. A lot of action has been taken in Western Australia to keep it under control. It has not been eliminated, but we have controlled its spread. If we can do the same thing with this disease, we will go a long way to saving the lupin industry, which has been such a significant advantage not only in the crop production area, but also from an environmental point of view. It is a deep-rooted plant and has significance in additional water use. It has helped lower the water table. From another angle, it has used up more water and has been beneficial. Also, as a consequence of increased production, other crops use more water. That is why the cropping program across the wheatbelt has been far better than letting the paddocks lie idle to grass in the out year. There is nothing better than rotational cropping, where the bush and natural timber has been removed, replacing continual cropping. That has been beneficial in land care in general. The disappearance of the lupin crop from the equation would be detrimental in many ways, with direct and indirect impacts.

I thank all members for their contributions. People are worried across the industry as a consequence of this disease outbreak. It is unfortunate that it has been identified now. The disease may have been in the farming areas before 1994, but it has been identified and we must pull together to work out a way to control it and eliminate it from the agriculture equation. I thank members for their support of the Bill.

Question put and passed.

Bill read a second time, proceeded through remaining stages and passed.

ADJOURNMENT OF THE HOUSE - ORDINARY

HON N.F. MOORE (Mining and Pastoral - Leader of the House) [10.47 pm]: I move -

That the House do now adjourn.

Adjournment Debate - Western Mining Corporation Ltd, Kambalda, Contracting Out

HON A.J.G. MacTIERNAN (East Metropolitan) [10.48 pm]: I am sorry to detain the House but I will not take long. I draw the attention of the House to a couple of matters relating to the situation in Kambalda with Western Mining Corporation Ltd. It was interesting to read an article in today's *The Australian Financial Review* indicating that the manager of the nickel operations at WMC, Mr Mark Cutifani, said his company's decision to contract out its mining operation was not a permanent decision; it is one open to review.

This position is further evidence of what many in the area have suspected; that is, that the real motivation for Western Mining's use of contractors was not that it was necessarily a more desirable or cost effective method of running the

mining operation, but that an industrial relations agenda was to be served. I think Hon Mark Nevill has presented some material to this House about the relative cost effectiveness of mining companies retaining their staff. We see with Western Mining another agenda.

We know that the meagre protections which exist in the workplace agreements legislation make it a touch difficult for companies to insist that their existing employees enter a workplace agreement. A number of devices can be used, but at the end of the day recalcitrant employees can stay under the umbrella of the award system, and that had been largely the case at Kambalda. It is, therefore, quite plausible to take the view that the strategy of Western Mining is to make a temporary exit into contracting. This is supported by a curious provision that it appears Western Mining has imposed upon its contractors; namely, that they must engage their employees under workplace agreements. I did not think that was any business of Western Mining, but it appears that was a precondition. Contractors such as Eltin Ltd, which in other places had quite happily employed workers under awards or enterprise bargaining arrangements, are now insisting that employees sign workplace agreements.

The jigsaw pieces are now fitting into place: Western Mining has been attempting for some years to get its work force onto workplace agreements, but that has been met with substantial resistance. It has now moved to contracting and has advised its contractors to engage their staff under workplace agreements, which will bring an end to award coverage in that area. That will then make it possible for that company - as indicated in this document, this is likely to be only a temporary arrangement - to re-engage its staff, but they will then no longer be able to insist on the protection of the award.

Members may be interested to know that this little scheme or strategy may be falling apart. Members will recall an interesting case a few months ago in the Perth Magistrate's Court where magistrate Ron Gething found that to make the execution of a workplace agreement a requirement of employment amounted to a threat or intimidation and was an offence under section 68 of the Workplace Agreements Act, and that it invalidated any workplace agreements. Late last week, this was pointed out to the contractors who had taken over the Western Mining work, and it caused a great flurry of activity. The Commissioner of Workplace Agreements, Mr Bob Cooper, frantically convened meetings all over the weekend. Mr Cooper was ringing union officials on Friday, Saturday and Sunday, seeking an audience so that this matter could be discussed. On several occasions he also made representations seeking a copy of the opinion of a Queen's Counsel, which the Opposition had commissioned, which confirmed the very broad interpretation of the decision that the AWU had made.

I am interested primarily in the Western Mining situation, but it is of some concern to me that the Commissioner of Workplace Agreements is so actively engaged in this matter. The capacity for the Commissioner of Workplace Agreements at some subsequent time to deliberate impartially upon the validity of those workplace agreements must be called into question by his role as basically an agent of the contractors in attempting to secure workplace agreements for the company. We may well have to discuss that matter at a later date. It will be interesting to see what transpires over the next few months.

Adjournment Debate - Medicare Provider Numbers for Doctors Reduction

HON KIM CHANCE (Agricultural - Leader of the Opposition) [10.56 pm]: I too would like to detain the House, albeit briefly, on what I consider to be a matter so important that we should not adjourn until such time as we have considered it. I express the disappointment, and the disgust - I think that is the right word - of a great many ordinary Australians and much of the medical profession at the announcement by federal Health Minister Dr Wooldridge that a number of young doctors, I believe between 200 and 400, will be denied a provider number as of this year, the provider number being their effective right to practise. The result will be that after years of study and pre-registration work, hundreds of brilliant young people will be denied their lifetime's ambition to serve their community on what amounts to little more than a whim by a doctor turned politician. I have heard of traitors to their class, but it is a while since I have seen someone stab his own professional colleagues in the back quite as comprehensively as Dr Wooldridge has just done.

Hon A.J.G. MacTiernan: It is called controlling entry and protecting the existing members of the profession.

Hon N.F. Moore: Have you not heard of closed shops? You spend all your life protecting them.

Hon KIM CHANCE: The section of the community that will rightly feel betrayed is country people. Often in this place we have praised the efforts of organisations like the Western Australian Centre for Remote and Rural Medicine and the success they have achieved in encouraging medical students and young graduates to practise in rural areas following their graduation. I am informed that WACRRM believes that given the current situation, it can manage at least in the short term, and that is good news for the time being. What worries me, though, is that a great many students and people who are contemplating entry to medical school will assess their future and perhaps opt to complete their studies in a more secure and, may I say, financially rewarding discipline. If that is the case,

Dr Wooldridge will have undermined all the work that WACRRM and bodies like it have done on behalf of country people.

The real tragedy is that this stupid decision did not need to be made. Other options, including further restrictions on entry and the granting of practising rights to overseas doctors, would have more equitably addressed the real need, or the perceived need, to limit the number of doctors practising in Australia. I will not enter into the argument about whether it is real or perceived.

Hon A.J.G. MacTiernan: It is a very interesting problem, particularly when you cannot get doctors in the south east corridor.

Hon KIM CHANCE: My view is very clear, and I am happy that Hon Alannah MacTiernan, a metropolitan member, shares my view. Hon Alannah MacTiernan's view is that her part of Perth, the south east corridor, including the seat of Armadale, which she will represent in the other place next year, is not able to get doctors. Much of Australia is in dire need of doctors. I carefully chose the word Australia, because rural Western Australia is not that badly served. This is largely because of the work of WACRRM. However, when I say "not that badly served", we are on the edge; there is no room to manoeuvre. That is the case with general practitioners. When we get to doctors in the mental health area, neither country nor metropolitan Western Australia is anywhere near to being in we could describe as a well accommodated position.

Hon P.R. Lightfoot: To be fair, we have a very high ratio of doctors to population.

Hon KIM CHANCE: That is fair by world standards, but we do not yet have a ratio which satisfies the health needs of all Australians. I am happy to accept the argument that has been put more than once by Hon Peter Foss that there has been a misallocation of resources in that area. That is not my argument.

My concern is that we have been going through this process assisted by the WA Centre for Rural and Remote Medicine and other bodies, gradually replacing foreign-trained doctors by Australian-trained doctors. I am very grateful to have had the foreign-trained doctors because we would not have any doctors in the bush if it were not for them. However, a fresh year of medical students will graduate after finishing their registration work only to be told that as at 1 November they will not receive a provider number. That will not destroy the lives or ambitions of all the 200 to 400 young doctors, because the vast bulk of that number will undertake further training where they will not require a provider number. Therefore, in the short term, it is not the disaster it appears to be.

However, there will be some individual tragedies. Yesterday I heard about a young female doctor who by the time she graduates at the end of the year will have a three month old baby. Had she received a provider number, she had arranged to work in a women's health clinic for two sessions a week, which would have been sufficient to maintain her registration. She will not be able to do that now, and she must compete with the other 200 to 400 doctors for further training positions. The nearest she has been able to obtain a position for further training is northern Queensland. This young female doctor comes from Fremantle. She may well resolve her situation somehow - I do not know how - but in her case at least the situation is developing into a minor tragedy. I would hate to think that, because of her circumstances and this dumb decision by Dr Wooldridge, she will be forced to move diagonally across the country. The question that arises is whether sufficient training places are available for all these young doctors to find accommodation for their future training needs.

Hon George Cash: Was not the decision made by Dr Wooldridge identified by the previous Labor Government?

Hon KIM CHANCE: I do not know.

Hon George Cash: It was. In fact previous Labor government representatives have acknowledged that.

Hon KIM CHANCE: They may well have done that. I do not have a clue. No Government, whether Labor or coalition, has done this in the past. Whether that decision would have been made ultimately by a Labor Government is a matter of disinterest to me. This decision was made without warning; it was a bolt from the blue. The doctor who raised the matter with me yesterday, a former committee member of the Australian Medical Association, said that he had never heard of the decision before. Dr Wooldridge has put at risk the goodwill of the entire medical profession; he has risked the goodwill of country people, on the basis of one stupid mistake. I call on the Minister for Health to prevail on his federal colleague to reverse the decision.

Hon N.F. Moore: He has already asked him to reverse the decision.

Adjournment Debate - Fines, Penalties, Infringement Notices and Drivers' Licences

HON N.D. GRIFFITHS (East Metropolitan) [11.04 pm]: Before the House adjourns I wish to raise a matter concerning fines, penalties, infringement notices and motor vehicle drivers' licences. I do so because I have received

an item of correspondence from a lady in Western Australia who has found herself open - as she sees it - to an oppressive piece of legislation. I am concerned about the operations of that legislation, because although its intent, firstly, is to make people pay fines levied against them, and I agree with that intent, and secondly, to reduce the rate of imprisonment, I am concerned that it is postponing the rate of imprisonment because many people may find themselves driving without a motor vehicle driver's licence.

Hon P.R. Lightfoot: You mean without being conscious of it?

Hon N.D. GRIFFITHS: Yes. I refer to a case which was brought to my attention by a constituent of my colleague opposite, and to a letter which has been written to me. I will table it, if required, but I would prefer not to, because I believe in a degree of privacy -

Hon Kim Chance: It happened to me recently. I was caught.

Hon N.D. GRIFFITHS: The lady states that she did not have a permanent address. She advised the Commissioner of Police of her postal address by correspondence. She did not receive any notification at any time of fines attributed to her motor vehicle or that a media campaign was being conducted concerning drivers' licences subject to fines suspension. She made contact by telephone to ascertain whether her licence was subject to that and was advised that her licence was clear; that it was not subject to any fines. She said also that she received a letter addressed to a prior post office box advising that her licence was subject to fines suspension, dated 12 September 1996. When she contacted the department the following day she was advised that she owed the princely sum of $234 and that she had been driving without a licence since 1 July 1996.

The ramifications of driving without a licence are that if a person is involved in a motor vehicle collision the person is not insured; if that person injures someone, the damages may run to hundreds of thousands of dollars, and the person is not insured. Therefore, the person will be bankrupt and lose everything; that is, the average person would lose everything. Even a person with above average assets may lose everything.

The woman put to me the following propositions: Why was she not notified that she owed fines? She acknowledges that it is fair that she should pay outstanding fines, but she wants to know that she owes them. She says that if the department was aware of her address and could contact her on a particular date, why could the department not contact her prior to her losing her licence? She says that she was not notified that her licence had been suspended as from 1 July 1996; and that she was placed at great risk for many weeks. She says also that this is wrong, and I agree. She points out that when she contacted the department to check whether her licence had been suspended she was told it was not. She explains her perception that if the Government conducts a media campaign to inform people, it should make sure what it tells people about their day to day activities is factual. She poses the question: How many others are placed in this very dangerous situation?

That is an illustration of legislation not working. The intent of the legislation was good, and I supported it when we debated it in December 1994. We amended it last year, and in 1994 in the second reading debate and last year I raised the question of motor vehicle drivers' licences. Others raised the question of the mechanics of the legislation. It seems to me that this is an illustration of the mechanics of the legislation not working. I would like the Government to examine it to see whether otherwise law abiding citizens could be placed in great peril. To not be notified of a fine of $234 and find oneself driving for 10 weeks without a driver's licence is a very serious situation. No reasonable law abiding citizen would knowingly drive without a driver's licence. I raise this matter to bring to the Government's attention the fact that the administration of the legislation may well need a close look.

Question put and passed.

House adjourned at 11.11 pm

QUESTIONS ON NOTICE

PEARL SHELL FISHERIES - BROOME, OPERATOR'S QUOTA EXCEEDED

605. Hon MARK NEVILL to the Minister for Transport representing the Minister for Fisheries:

(1) Is it correct that a pearl farm operator in the Broome area has taken in excess of its pearl shell quota?

(2) Is the excess of pearl shell taken above quota about 70 000 shells?

(3) If no, what is the estimate?

(4) Has the operator been warned in writing that they had exceeded their quota?

(5) If yes, what was the date of the letter?

(6) To whom was the letter sent?

(7) What action was taken by the operator in response to the written warning?

(8) Was a breach report later submitted to the department outlining the offence and recommended prosecution?

(9) On what date, and by whom, was the breach report submitted?

(10) What action was taken by the department in response to the breach report?

(11) If no action was taken, why not, and who was responsible for the decision?

(12) Will the Minister for Fisheries table a copy of the breach report?

Hon E.J. CHARLTON replied:

(1)-(12) It is my understanding that there is no evidence to support this statement; however, if the member has any specific evidence that an offence has occurred he should make this available to the Director of Fisheries.

AGRICULTURE WESTERN AUSTRALIA - GROUP CERTIFICATES ISSUED BY PRIVATE COMPANY

615. Hon KIM CHANCE to the Minister for Transport representing the Minister for Primary Industry:

(1) Is the Minister for Primary Industry aware of the Agriculture Western Australia group certificates that were issued by a private company?

(2) What is the name of the company?

(3) When were the employees' tax file numbers provided to the company?

(4) What is Agriculture Western Australia's policy regarding the release of private and confidential information about its employees?

Hon E.J. CHARLTON replied:

(1) Agriculture Western Australia pays employees through the government payroll system which was previously administered by the Department of State Services. State Services contracted the government payroll system to a private contractor. As part of the contract, the private company took over responsibility for issuing group certificates.

(2) Fujitsu Australia Limited.

(3) Tax file numbers were provided to Fujitsu on the weekend of 25 and 26 May 1996, prior to the company taking up live operations on 27 May 1996.

(4) Agriculture Western Australia does not, as a matter of policy, release any private or confidential information without the express written consent of the employee. Employees are requested to sign written documentation declaring their tax file number for payroll administration purposes upon commencement with the agency.

FUNDING CUTS; FEDERAL GOVERNMENT - MURDOCH UNIVERSITY; ROCKINGHAM CAMPUS

654. Hon TOM STEPHENS to the Leader of the House representing the Minister for Education:

The Howard Government in its Budget has decided not to provide funding for additional growth of Murdoch University's new Rockingham campus in its third year of operation (1998). Without this funding Rockingham

campus will not be able to expand to a viable size where funding can meet costs such as staffing and maintenance without drawing from the Murdoch campus. Is the State Government prepared to step in and provide additional funding for the Rockingham campus in 1998?

Hon N.F. MOORE replied:

The reduction in student load for Murdoch University in 1998 is across the whole university and not specific to the Rockingham campus. It is up to Murdoch University to manage its finances and student load to ensure that a viable educational program is maintained on both campuses. Forceful representations to the commonwealth Minister have been made on behalf of Western Australia. It is pleasing to note that the capital commitment to the Rockingham campus of more than $18m from 1996 to 1998 has been preserved. The State will be arguing strongly for its share of growth in 1999 recognising the special needs of the Rockingham campus and the Commonwealth's obligations as the principal funding source for the higher education sector.

EDUCATION DEPARTMENT - BUDGET, ESTIMATED EXPENDITURE, IMPACT OF COMMONWEALTH BUDGET

710. Hon JOHN HALDEN to the Leader of the House representing the Minister for Education:

The Western Australian Budget allows for an estimated expenditure of $1 429 433 000 in 1996-97 for education.

(1) Has the Federal Budget had any impact on this figure?

(2) If so, what is the revised figure and what areas will be affected?

Hon N.F. MOORE replied:

(1)-(2) The 1996-97 Budget estimated expenditure is $1.267b for education in the government sector, not $1.429b as stated by Hon John Halden. $1.429b is the estimated expenditure across the three portfolios held by Hon C.J. Barnett: Resources Development, Energy and Education. Notwithstanding, further detail is required to fully analyse program funding changes. Early indications are that there will be no significant impact on education funding levels.

QUESTIONS WITHOUT NOTICE

ADVERTISING - PARTY POLITICAL PROPAGANDA

978. Hon TOM STEPHENS to the Leader of the House representing the Premier:

Some notice of this question has been given. The royal commission, Commission on Government and Auditors General in Victoria and New South Wales have called for the justification and costing of all government advertising to stop taxpayer-paid party political propaganda. How does the Leader of the House justify -

(1) Yesterday's advertisement in *The West Australian* listing the companies which have been given grants by the Department of Commerce and Trade, which was really only a response to criticism of this Government for awarding grants to this State's richest companies?

(2) The full page advertisement in the same newspaper, complete with a photograph of the Minister for Lands, which contains no information and hides the fact that this Government caused the strata title problems in the first place?

(3) How does the Premier justify these expenditures when, although not proclaimed, the Electoral Amendment (Political Finance) Act which passed through this Parliament four years ago specifically prohibited such propaganda so close to an election?

Hon N.F. MOORE replied:

I would be happy to provide the member with an answer if I had a copy of the question.

Hon Tom Stephens: I understand you have a copy of the question.

Hon Kim Chance: I think notice of the question was given in my name.

Hon N.F. MOORE: Members are making it difficult. I don't mind members being critical when I do not have an answer, but when they ask a question and notice of it was given in somebody else's name, it makes it very difficult. This Government goes to extraordinary lengths to obtain answers to the questions. I suspect that in the history of this House members have never received answers as quickly as they have in the last couple of years.

Hon A.J.G. MacTiernan: From some Ministers.

Hon N.F. MOORE: I thank the member, whoever it was, who asked the question. I guess I should thank Hon Tom Stephens as he was the member who actually asked the question in the House.

(1) The point of yesterday's advertisement from the Department of Commerce and Trade was to promote access to the services of that department. At the time of the annual Western Australian industry and export awards, which generate publicity for many of the State's best performing firms and help to profile Commerce and Trade as a sponsor, the department traditionally steps up the marketing of its services to the whole spectrum of businesses it assists.

(2) As members on both sides of the House know, particularly those whose electorates contain significant strata title development, the strata title issue has been of considerable concern to constituents since 14 April 1996 when the Strata Titles Amendment Act 1995 became law. The amendment Act brought to light insurance and common property anomalies which have always existed in many small strata schemes which have been registered since 1969.

The previous advertising campaign - June to August - sought to allay the concerns of strata title owners, with the Minister for Lands indicating that he would fix the problems. This has been done and yesterday's advertisement was an appropriate form of advertising to further inform the public that amending legislation has been introduced into the Parliament and explanatory brochures will be available before Christmas. The advertisement also provided information on the Department of Land Administration's helpline and the fact that assistance is available to answer immediate questions on the legislation and the range of options now available.

(3) Informing the public of important amendments to the Strata Titles Act is not party political propaganda. The decision to run the advertisement referred to in (1) was made by the Department of Commerce and Trade as part of its ongoing strategic marketing. This expenditure has nothing to do with electoral funds or propaganda. Like all effective marketing, it has already generated new business leads from interested enterprises.

PERTH PETROCHEMICAL SMOG STUDY - KWINANA INDUSTRIES EMISSIONS, REDUCTION

979. Hon J.A. SCOTT to the Minister representing the Minister for Resources Development; Energy:

Given that the Perth photochemical smog study identifies the Kwinana industrial region as the dominant industrial point source of emissions in Perth -

(1) What action is the Government taking to address the increasing amount of industrial emissions coming from industry in the region?

(2) What steps will the Government take to reduce health and environmental damage to the community?

(3) Will the Government build a scrubber on the Kwinana A and C power stations, or turn them over to gas fuel?

(4) Will the Government promote or legislate the introduction of technology to reduce the massive amount of reactive organic compound emissions from petroleum refining and storage in Kwinana?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1) Changes to the administration of licences under the Environmental Protection Act are foreshadowed for the near future. This will cover industries at Kwinana.

(2) The Government recently announced its $2.6m commitment to fund a parliamentary select committee to develop an air quality management plan for Perth. This will address all sources of air pollution, including industrial.

(3) Control measures for individual industrial emission sources will be covered by the measures described in (1) and (2).

(4) BP Refinery (Kwinana) Pty Ltd's reactive organic compound emissions have decreased in recent years and are considerably lower now than the figures submitted to the Perth photochemical smog survey. The Department of Environmental Protection has reached agreement with industry that a code of practice will be developed for the controlling of ROC emissions.

TRANSPORT, DEPARTMENT OF - MINISTERIAL STATEMENT INCLUDING LIBERAL CANDIDATE'S NAME

980. Hon GRAHAM EDWARDS to the Minister for Transport:

I refer to the recent ministerial statement put out by the Department of Transport about the expanded bus services in the Clarkson and Merriwa areas in which Hon Iain MacLean is described as the Liberal candidate for Wanneroo.

(1) Given that it is an improper use of a ministerial office and departmental and public funds to include a candidate's name on a ministerial statement, will the Minister take action to ensure that this blatant political misuse of funds does not recur?

(2) If not, why not?

The DEPUTY PRESIDENT (Hon Barry House): Order! Before the Minister answers the question I advise members that that question and part of the previous question contain improper assertions that rule those parts of the questions out of bounds. Members cannot imply that there has been an improper use of funds.

Hon E.J. CHARLTON replied:

I would like the member to repeat the first part of the question.

Hon Graham Edwards: I refer to the recent ministerial statement put out by the Department of Transport about the expanded bus services in the Clarkson and Merriwa areas in which Hon Iain MacLean is described as the Liberal candidate for Wanneroo.

I want to know why the department is putting out press releases. I would not care whether he was described as the member for the North Metropolitan Region, but why is the department describing him as the Liberal candidate for Wanneroo?

Several members interjected.

Hon E.J. CHARLTON: I will check it out and respond to the member.

EXMOUTH MARINA PROJECT - CIVCON PTY LTD

981. Hon TOM STEPHENS to the Minister for Transport:

I have just arranged for a copy of the question to be passed to the Minister. It is further to question 934 regarding the Exmouth marina project.

(1) Is the Minister aware that Civcon Pty Ltd applied for permission to extend its quarry boundaries in March 1996, two weeks after it commenced quarrying operations, and that Peter Borehan, an engineer with the Department of Transport, argued that an extension was not necessary and that adequate rock was available from the original quarry site?

(2) Does the Minister admit that approval to extend the quarry boundaries was not given by the Environmental Protection Authority until early September 1996, some two weeks after Civcon stopped work on the project on 20 August 1996?

(3) Does he also know that Thiess Contractors Pty Ltd is currently taking two-thirds of its rock requirements and almost all of its armour rock from an area outside the boundaries of the original quarry?

(4) Will he now admit that restricting Civcon to the boundaries of the original quarry site was the prime reason for it getting into financial difficulties and for the work finally stopping on 20 August 1996?

Hon E.J. CHARLTON replied:

I have just had a copy of the question handed to me and I will check it out.

Hon Tom Stephens: You gave a detailed answer on this matter last week.

Hon E.J. CHARLTON: Yes, I did and this question is not consistent with the answer I gave last week.

Hon Tom Stephens: Nor was the answer consistent with the facts.

Hon E.J. CHARLTON: It was.

The DEPUTY PRESIDENT: Order!

LAW REFORM COMMISSION

982. Hon N.D. GRIFFITHS to the Attorney General:

How many Law Reform Commissioners are there today?

Hon PETER FOSS replied:

Three. To clarify the matter, the answer I just gave presumes that the matter has been to Executive Council. I assume that certain matters have passed through Executive Council.

PERTH HAZE STUDY - RELEASE DELAY

983. Hon J.A. SCOTT to the Minister for the Environment:

Some notice of this question has been given.

(1) Why has the Minister been unwilling to release the results of the Perth haze study?

(2) Is the Minister aware that the Perth haze study predicts that approximately 75 people per annum are dying in Western Australia from the effects of smoke haze?

(3) If yes, how does the Minister justify his procrastination over this matter?

(4) Is the Minister's reluctance to release this report related to pressure from the Department of Conservation and Land Management to allow unrestricted access to state forests for prescribed burning regardless of the effects on human health?

(5) Was the haze study sent overseas for peer review and, if so, when does the Minister expect the review period to be completed?

Hon PETER FOSS replied:

(1) I am not.

(2) No. I believe that to be incorrect.

(3) I am not and otherwise not applicable.

(4) I have no reluctance.

(5) The Perth haze study was not sent overseas for peer review.

If the member continues to make assumptions, he will get them literally answered.

BARTHOLOMAEUS, NEIL - ACCUSATIONS AGAINST MS MacTIERNAN

984. Hon A.J.G. MacTIERNAN to the Leader of the House representing the Premier:

(1) Does he now have an answer to the question I asked yesterday regarding Mr Neil Bartholomaeus?

(2) If so, will the Minister provide the answer?

For the Minister's benefit, the question was -

(1) Is the Premier aware of the report in the *Sunday Times* in which Neil Bartholomaeus, the Chief Executive Officer of WorkSafe WA, is reported as having "accused Ms MacTiernan of undermining safety in the State by moving a disallowance motion for all 300 recommendations in new regulations this week" and in which Mr Bartholomaeus is quoted as then saying "her actions including the total disallowance of the regulations are just political opportunism"?

(2) Does the Premier acknowledge that these statements are prima facie evidence of a blatant and gross breach of the Public Service Commission's administrative instruction No 728, which states, inter alia, that public servants speaking in their official capacity should not publicly criticise any political party or its actions or policies?

(3) What action does the Premier propose to take to investigate this matter?

Hon N.F. MOORE replied:

I thank the member for some notice of this question.

(1)-(2) Yes.

The answer to the question asked yesterday is as follows -

(1) Yes.

(2)-(3) The Premier has requested that the Public Sector Management Office provide him with a report.

FISHERIES DEPARTMENT - SOUTH COASTAL ESTUARINE FISHERY, COMMERCIAL FISHING IN OPEN WATER PERMITS

985. Hon KIM CHANCE to the Minister representing the Minister for Fisheries:

Some notice of this question has been given.

(1) Do fishing boat licences issued to persons authorised to fish in the south coast estuarine fishery also permit the holders to commercially fish in open waters?

(2) If not, why not?

(3) If yes to (1), are there any constraints on licence holders in relation to replacing their boats, transferring their licences, the distance from shore where they can fish, the species of fish which may be taken and the fishing methods which may be used?

(4) If there are any such constraints, what are they and what is their purpose?

Hon E.J. CHARLTON replied:

I do not have an answer to that question. I have on top of the sheet provided to me that this question is scheduled for answer on Thursday, 24 October. I do not know who puts the dates on the sheets, so I do not have an answer. I went through the questions earlier and found that some questions without notice for which some notice has been given were for today. We need to clarify the situation. When question time is over, having seen the questions, I will try to ensure that I get the answers itemised.

INNER PEEL REGION STRUCTURE PLAN - FINALISATION DATE

986. Hon J.A. COWDELL to the Attorney General representing the Minister for Planning:

What is the timetable for the finalisation of the Inner Peel region structure plan?

Hon PETER FOSS replied:

I thank the member for some notice of this question. The finalisation of the Inner Peel region structure plan will proceed following the analysis and summary of the submissions received. Seven hundred and ten submissions have been received, and it is envisaged that the plan will be finalised by mid-1997.

FISHERIES DEPARTMENT - GOODLAD, RON, SHARK ENDORSEMENT CATCH REQUEST

987. Hon KIM CHANCE to the Minister representing the Minister for Fisheries:

(1) Has the Fisheries Department received a request from Mr Ron Goodlad for a catch history relating to the shark endorsement attached to his Western Australian fishing licence for the purposes of establishing the facts relating to entry criteria for new management rules in the shark fishery?

(2) If so, has all shark quantity caught under the endorsement period 1988 to 1991 been credited for the purposes of assessment of his claim for entitlement under the entry criteria?

(3) If not, why not?

Hon E.J. CHARLTON replied:

I thank the member for some notice of this question. I do not have an answer to this question or to any of the questions relating to the Fisheries Department. The Minister is on a two-day tour around the State with the federal Minister for Primary Industries and Energy. I intend to ensure that, as the Minister returns tonight, I will obtain answers to all of these questions for tomorrow.

PERTH PHOTOCHEMICAL SMOG STUDY - HEALTH RISKS

988. Hon J.A. SCOTT to the Minister for the Environment:

Some notice of this question has been given. I hope I get an answer.

Hon Peter Foss: You always get an answer.

The DEPUTY PRESIDENT: Order! I have asked members before to minimise background conversations.

Hon J.A. SCOTT: I ask -

(1) Given that no epidemiological studies were conduct during the Perth photochemical smog study, how did the report estimate health risks from photochemical smog or its components?

(2) How could the health risk of photochemical smog be estimated without the information from the Perth haze study which deals with a particular matter, which is a common trigger for respiratory illness?

Hon PETER FOSS replied:

(1) The Perth photochemical smog study report includes an assessment of health risks from ozone and nitrogen dioxide, the main constituents of photochemical smog, conducted by an Australian health expert, based on information from Australia and overseas.

(2) As the report explains on page 7, photochemical smog events in Perth, with the exception of those associated with bushfires, do not include high concentrations of fine particles. For this reason, the health effects of fine particles were not considered within the Perth photochemical smog study, but were deferred for consideration in the Perth haze study. All sources of fine particles, including the small amount of secondary particles produced within photochemical smog, will be considered in the Perth haze study.

The member will always get an answer from me. The problem seems to be that he is unable to ask proper questions.

WORKSAFE WA - BYRNE, NOEL, INSPECTOR, THREATS AGAINST

989. Hon A.J.G. MacTIERNAN to the Minister representing the Minister for Labour Relations:

(1) Were threats of physical violence made against a WorkSafe inspector, Mr Noel Byrne, on 4 October 1996 by a demolition operator?

(2) If yes, why have no charges been laid against the operator, and has the matter been referred to the police?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) No threats of physical violence were made to Inspector Byrne when he visited the site on 4 October 1996.

(2)-(3) Not applicable.

WATER CORPORATION - TELECOMMUNICATIONS TOWERS, JOONDANNA, PAYMENTS

990. Hon GRAHAM EDWARDS to the Minister representing the Minister for Water Resources:

(1) Can the Minister confirm whether the Water Corporation receives rent money paid to it by telecommunications carriers Telstra Corporation Ltd, Optus Communications and Vodaphone Pty Ltd for locating their phone towers at the Mt Hawthorn Reservoir site in Joondanna?

(2) If yes, how much does the Water Corporation receive from each of these carriers each year for the use of this site?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) Yes.

(2) The Water Corporation has declined to release this information as it is commercially sensitive and it is not in the best interests of the corporation to do so.

ROADS - TOM PRICE-KARRATHA, CONSTRUCTION

991. Hon TOM STEPHENS to the Minister for Transport:

(1) Does the Minister support the call by the Liberal candidate for Burrup for a direct, sealed road between Tom Price and Karratha, as reported on ABC Radio on 22 October 1996?

(2) If so, when is it likely that such a road will be constructed?

Hon E.J. CHARLTON replied:

(1)-(2) Yes, I do. I am sure that the member has been pleased with the roadwork performed in his region since we came to government. This puts to an end the disappointments the member faced, even in his brief time as a Minister -

Hon Tom Helm: To which part of the question does this relate?

Hon E.J. CHARLTON: The comments apply to Hon Tom Helm's area too. Unlike the previous Government, I want to look after the interests of these members opposite. This is the next road that I would like to see built in that region, when the road from Great Northern Highway through to Tom Price is completed next year. I was there last Friday. The road that we are building now will cost close to $30m, and it is a very significant road in the Karijini.

Hon Bob Thomas: How much is the other one?

Hon E.J. CHARLTON: Is Mr Thomas interested in the other one? Mr Thomas does not support any spending on roads.

The DEPUTY PRESIDENT (Hon Barry House): Order! The question has been asked. Members now have to listen to the answer.

Hon A.J.G. MacTiernan: We did not expect James Joyce's *Ulysses*!

The DEPUTY PRESIDENT: Order! Members might not like it and they might not agree with it, but they have to listen.

Point of Order

Hon GRAHAM EDWARDS: Mr Deputy President, I refer you to the standing orders and draw your attention to the fact that you made some comments about the way that questions should be asked. My understanding of the standing orders is that the same rules and regulations apply to the answers.

The DEPUTY PRESIDENT (Hon Barry House): I refer the member to Standing Order No 140. It would do members a lot of good to re-read that standing order if they have not done so for a while.

Questions Without Notice Resumed

Hon E.J. CHARLTON: Obviously even the Labor Party would understand that we cannot build all the roads in one year; I would love to do that. I have asked that we now start looking at other options so that we can bring forward these sorts of roads. Associated with the road that Mr Stephens has mentioned -

Hon John Halden: Another tax!

Hon E.J. CHARLTON: Would Mr Halden rather take off the 4¢ and not do any of the roadworks?

Hon Tom Stephens: You mucked up the tunnel.

Hon E.J. CHARLTON: I will not even give the Catholic Church a free piece of land, although it does have good people in it apart from Mr Stephens.

Hon A.J.G. MacTiernan: Keep that for Len Buckeridge - Saint Len!

Hon E.J. CHARLTON: I do not think he is a Catholic, but he is a Christian, like me. The location of the road from Tom Price to Karratha is now being designed. We are having discussions with the mining company about the alignment, because about $1m a year is being spent to keep its access road in a reasonable condition, and, as the member knows, many people in the area are using that road, which is not designed to be the link between Karratha and Tom Price. The answer is yes.

Hon Mark Nevill: It is a better road than some that you are maintaining.

Hon E.J. CHARLTON: However crook they are, Mr Nevill, they are 10 times better than they were when the Opposition was in government.

ADVERTISING - NON-CAMPAIGN, EXPENDITURE

992. Hon TOM STEPHENS to the Leader of the House representing the Premier:

Further to question without notice 965, what was the amount spent on non-campaign advertising for the 1993-94, 1994-95 and 1995-96 financial years?

Hon N.F. MOORE replied:

I thank the member for some notice of this question, but -

Several members interjected.

The DEPUTY PRESIDENT (Hon Barry House): Order! The question has been asked, but a horrible habit is creeping in where a number of other members immediately follow up with some comments or further aspects of the question. That is out of order.

Hon N.F. MOORE: Thank you, Mr Deputy President.

In the limited time available I have not been able to ascertain the specific figures that the member requests. I appreciate that with regard to the member's recent questions about advertising expenditure, he is specifying either campaign or non-campaign advertising, but this does not appear to have been clearly distinguished in the past, which may encourage some confusion. It is easy to confuse the two sections of government advertising. Campaign advertising is generally of an ongoing nature and designed to create an image, or is of a promotional nature. Examples would be advertising by the Lotteries Commission, the Quit campaign, and material from the Western Australian Tourism Commission and the Water Corporation. Non-campaign advertising is best described as short-term or one-off advertising, such as employment, education courses, tenders and public notices. Non-campaign advertising can fluctuate greatly depending on demand for employment in problem areas, such as attracting staff to regional areas, particularly in the medical field. With respect to the member's question about non-campaign spending, I will endeavour to get an answer to him as soon as possible.

AUSTRALIAN MEDICAL ASSOCIATION - MEDICAL REBATES FOR SURGICAL ASSISTANTS' CESSATION, IMPACT ON DEMANDS ON PUBLIC HOSPITALS

993. Hon JOHN HALDEN to the Attorney General representing the Minister for Health:

Following the Federal Government's decision to cut medical rebates for surgical assistants in 150 common operations, as announced yesterday by the Australian Medical Association, I ask -

(1) Is this decision likely to increase the demands on public hospitals in Western Australia?

(2) What is the anticipated financial cost of this move to the Health Department of Western Australia?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1)-(2) The decision to cease providing rebates for surgical assistants is likely to impact on the demand for public hospital services. However, the nature of the linkage is complex and the extent of the effect difficult to quantify. The Government will be liaising with the Australian Medical Board and other key stakeholders and will be monitoring increased demand on public hospitals.

MASTER MEDIA AGENCY - CAMPAIGN ADVERTISING BUDGET

994. Hon KIM CHANCE to the Leader of the House representing the Premier:

Working on the maxim of third time lucky, I ask: Does the Minister now have the answer to the question I asked about the Master Media Agency and the total campaign advertising budget for the Government in 1996-97; if so, will the Minister now provide that answer?

Hon N.F. MOORE replied:

Third time unlucky.

Hon A.J.G. MacTiernan: Disgraceful!

Hon N.F. MOORE: Put it on notice and give us some time to get the stuff together.

COMMISSIONER FOR LABOUR RELATIONS - BLAIN, NICK, APPOINTMENT CONSIDERATION

995. Hon A.J.G. MacTIERNAN to the Minister representing the Minister for Labour Relations:

(1) Is it true that the Minister for Labour Relations is considering appointing his chief policy adviser, Dr Nick Blain, as a commissioner for industrial relations?

(2) Is it true that the Minister for Labour Relations has approached the Western Australian Chamber of Commerce and Industry to garner its support for this appointment?

(3) Is it true that the representative of the Western Australian Chamber of Commerce and Industry refused to support such an appointment?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1)-(3) As there are currently no vacancies within the Western Australian Industrial Relations Commission, no consideration is being given to the Minister's chief policy adviser, Nick Blain, or any other person for appointment as an industrial relations commissioner. Therefore, no consultation with section 50 Industrial Relations Act parties has occurred.

PERTH HAZE STUDY - RELEASE DATE

996. Hon J.A. SCOTT to the Minister for the Environment:

Is the Perth haze study complete, and when will the Minister release that report?

Hon PETER FOSS replied:

I do have to keep saying this: I do not have the Perth haze study at the moment, and when I get it, I will release it. I understand from the Department of Environmental Protection that it should be available for me to release some time in November, and I will release it when it is ready to be released.

WATER CORPORATION - SEWAGE PUMPING STATION, MUNSTER, BREAKDOWNS

997. Hon MARK NEVILL to the Minister representing the Minister for Water Resources:

(1) How many times in the past 12 months has the sewage pumping station in Mayor Road, Munster, broken down?

(2) Is there an adjoining pond to collect the overflow in the event that the pumping station fails?

(3) How many times in the past 12 months has the effluent had to be diverted to the adjoining pool?

(4) Is there a spillway from the pond to the adjoining wetland to take the overflow in the event that the pond fills up?

(5) Has effluent ever flowed from the pond to the wetland?

(6) If so, how many times?

(7) Did a "Gatic" cover over the sewer in nearby Musulin Rise blow up earlier this year?

(8) If so, when and why?

(9) Does the Water Corporation intend to upgrade or replace the Mayor Road pumping station?

(10) If so, when?

Hon MAX EVANS replied:

I thank the member for some notice of this question.

(1) Ten times, due to power fluctuations.

(2) Yes.

(3) Three times.

(4)-(5) No.

(6) Not applicable.

(7) Yes.

(8) On 21 September 1996 due to a power failure and pressure build up in the system.

(9) Yes.

(10) The station's computer system is currently being ungraded to prevent failure caused by power fluctuations. Corroded manhole seals are currently being replaced. A project is underway to investigate the behaviour of gas build up in the system to cope with future demands.

POLICE SERVICE - WORKSAFE WA, CORRUPTION ALLEGATIONS INQUIRY

998. Hon A.J.G. MacTIERNAN to the Attorney General representing the Minister for Police:

(1) What officers of the Criminal Investigation Branch investigated the allegations of corruption against a Worksafe inspector in 1995?

(2) Who did the officers interview in making their investigation?

(3) Is it usual procedure in conducting an investigation not to question or interview the party making the allegation?

(4) How could police determine there was insufficient evidence to proceed without having sought evidence from the complainant?

Hon PETER FOSS replied:

I thank the member for some notice of this question.

(1) The names of individual officers who conduct inquiries are not disclosed for operational reasons. However, two detective senior constables attached to the fraud squad conducted the investigation.

(2) The detectives interviewed Mr Jim Zacknich, WA Taskforce into the Building and Construction Industry; Mr Ben Jeakings, Double Impact Demolition; Inspector Brian Tolmie, Mr P. Shaw and Mr Neil Scott of the Department of Occupational Health, Safety and Welfare.

(3) Persons making allegations are interviewed.

(4) Evidence was sought from the complainant, and the investigations determined there was insufficient evidence to proceed further.

DE FACTO RELATIONSHIPS LEGISLATION - INTRODUCTION DATE

999. Hon N.D. GRIFFITHS to the Attorney General:

I refer to question on notice 30 of 19 March 1996 when I asked the Attorney General: When is it intended to introduce legislation relating to de facto relationships and the issues arising out of such relationships? He replied: In this session of Parliament. Why is no such Bill on the Notice Paper?

Hon PETER FOSS replied:

Perhaps the member can ask the question after the session is completed.
