

# Legislative Assembly

Thursday, 29 April 1982

The DEPUTY SPEAKER (Mr Blaikie) took the Chair at 10.45 a.m., and read prayers.

## BILLS (6):

### INTRODUCTION AND FIRST READING

1. Iron Ore (Hamersley Range) Agreement Amendment Bill.

Bill introduced, on motion by Mr Mensaros (Minister for Water Resources), and read a first time.

2. Metropolitan Water Supply, Sewerage, and Drainage Amendment Bill (No. 2).

Bill introduced, on motion by Mr Brian Burke (Leader of the Opposition), and read a first time.

3. Industrial Arbitration Amendment Bill.
4. Criminal Code Amendment Bill.
5. Evidence Amendment Bill.
6. Criminal Injuries (Compensation) Amendment Bill.

Bills introduced, on motions by Mr Pearce, and read a first time.

### METROPOLITAN WATER AUTHORITY BILL

#### *Second Reading*

**MR MENSAROS** (Floreat—Minister for Water Resources) [10.54 a.m.]: I move—

That the Bill be now read a second time.

The purpose of the Bill is to create a metropolitan water authority, which will be the new corporate body responsible for providing water services throughout metropolitan Perth. This new authority will take over and extend the activities performed at present by the Metropolitan Water Supply, Sewerage, and Drainage Board. It will do so in new, more efficient, and modern commercial ways.

The authority, which will have a staff of more than 1 000, will be under the executive management of a board, which will consist of seven members. Three members of this board will be senior officers of the authority, and the other four members will be persons chosen for their own individual expertise and capabilities from outside the authority itself.

Both the authority and the board will be subject to direction by the Minister, both

generally and in specific instances as stated in the Bill. In this way, it will be quite clear that the authority is a semi-Government instrumentality, which is responsible to the elected representatives of the people, to whom it is to supply these services of water, sewerage, and drainage.

Older legislation usually treats the relation of a Minister and an instrumentality by simply stating that "subject to the Minister, the instrumentality is responsible for administration of the Act". Recently, this has sometimes been interpreted to mean that a Minister can be involved if the instrumentality does something, and that he cannot be involved if it does not do something. In other words, the Minister can veto something which an instrumentality wants to do or decides to do, but he cannot direct an instrumentality to do something of which it has not thought.

Because of this uncertainty, this Bill is quite definite about ministerial roles and responsibilities. It describes the way the Minister interacts with and gives directions to both the authority and the board, both in general terms and specific terms. He must be able to do this, because it is a Government instrumentality. The people are the shareholders in the authority, and the Government is their representative, and so the Government is responsible for the authority. The authority does not stand to one side and act independently of the community which it must serve. It must obey the policy of the Government, conveyed by the Minister.

This Bill is only the first step towards the gradual replacement of the existing Metropolitan Water Supply, Sewerage, and Drainage Act, which has been in existence since 1909, or 73 years, and which has been subjected to over two dozen amendment Acts, many of which were directed to solve just one particular problem, often only a relatively small one.

This Bill is not as complete as I had wanted. Although most of the technical aspects of what is needed in legislation on these complicated matters of water supply, sewerage, and drainage have been resolved, the legal complications involved in bringing up to date something that has been the subject of so many Acts of Parliament have been too great to solve them all in time for this sitting.

So we have concentrated in this Bill on the major issues, and drafting is proceeding actively on the remainder. The first thing we have done is to revitalise and modernise the organisation and its board of management.

The renaming of the corporate body as the authority removes a troublesome source of confusion, because at present both the seven-

member decision-making body and the body with its 1 000 members of staff are called by the same name of the board.

The inclusion of three senior officers on the new board will make certain that it has a detailed knowledge of the day-to-day problems of the authority, with an annual budget which is rapidly approaching \$150 million to handle directly or indirectly, the more than three quarters of a million customers to satisfy and serve.

The inclusion on the board of four members chosen for their personal expertise and skills will ensure that the board is able to advise the Minister and the Government with a wide range of experience which is not linked with the need to represent a specific single element of the community, unlike the present situation where three out of seven members are chosen from local government. Representation of wide-ranging bodies is provided in the new Western Australian Water Resources Council Act.

Board members will be appointed for terms of up to three years, and their appointments may be renewed. The chairman may be appointed for a term of up to five years, and his appointment also may be renewed. Staff members will remain within the Public Service, except that the authority itself may employ persons in designated positions. This can provide both flexibility and stability in staff positions.

The present board will be dissolved when the board with this new structure is formed. Because six out of the seven members of the present board will have their current terms of appointment end on 30 June, the time to restructure the board is particularly opportune. The Government is grateful for the many worthy services of members who have served under the present structure of the board since its arrangement almost two decades ago.

The Bill takes a completely fresh and necessary approach to the extremely complicated matter of the best way to provide water services to the rapidly expanding areas of Perth, without imposing unfairly on the whole population. It does so by the simple application of the principles of the market place, and the principle of supply and demand.

The existing Act attempts to deal with the problems of providing water services to new subdivisions and more intensive developments by charging headworks. Complications about the need for headworks charges, and how they should be shared by the developer and the present board, and which agency of the Crown is involved in

overall planning, are some of the problems which successive amendments have addressed.

This Bill takes a direct approach. It makes it clear that while the authority will assist Government planning bodies with expert advice about water services, the authority itself will not interfere with the established planning processes, such as those provided by the town planning board or local authorities. These are often complicated processes which may involve appeals, and the authority will not interfere with, and so perhaps prolong processing of, applications for subdivision or development.

The authority also can provide expert advice to the developer, both before he gets an approval from the planning body and afterwards. The Bill provides that the authority and the would-be developer enter into an agreement about the costs of water services to the new development. This agreement will include factors such as cost sharing of headworks expenses.

The developer who is not satisfied with the terms of a proposed agreement will be able to approach the Minister, who may direct that a new agreement be negotiated. The Bill gives this avenue of approach by the developer because to some extent the authority may be thought of as having a monopoly on providing water services.

The use of agreements between the authority and proposed developers therefore makes provision of water services a simple commercial activity. It removes the authority from the mainstream of planning processes and involvement in an orderly approach to the statutory planning by bodies like the Town Planning Board and local authorities, where there are already adequate planning procedures, reviews, and appeals.

The Bill does all this, and yet provides for services to new developments. It does so without the ordinary consumer having to subsidise new developments, either now or in the future. It also caters for a situation in the future—after past debts and their servicing have been paid off—where our children and grandchildren will not have to pay for the water services which we now enjoy.

There are further important measures taken in the Bill that will directly affect the general consumer, and therefore the bulk of the community. The Bill provides that instead of sending accounts for payment to the occupier in the first instance, which is the present practice, they will be sent to the owner. The owner is the person who has equity in the land or property, and

is therefore the person who should pay for water services to his land or property.

Often the owner and the occupier will be the same person, in which case this new administrative arrangement will make no difference. In cases where the occupier is not the owner, the Bill provides certain assurances to make sure that the occupier is fairly treated when he is called upon by the owner to pay in one way or another such as by a rental agreement only his fair share of the costs or charges. At the same time, the details of private arrangements between the owner and the occupier, which are private and no concern of the authority, remain private. If the occupier has an agreement with the owner, such as a rental agreement, and the owner asks him to contribute to the payment for water services, then the occupier can ask the authority for details of the complete bill. In this way, he can satisfy himself that he is charged fairly.

To prevent sudden increases in accounts from one year to another as a result of a new general valuation of a property by the Valuer General, this Bill phases in such valuations over a three-year period. New general valuations are made every three years or so, and it would not be right for the owner to bear the effect all in one year.

This Bill and its companion amendment Bill make sure that the account for water services in any one year does not exceed the previous year's Bill by more than 40 per cent, unless of course there has been a significant change in land use.

This provision will affect only a very small proportion of ratepayers—possibly one per cent or less—whose property revaluation resulted in extremely higher than average increases in value. As the cent rate in the dollar value has to be struck uniformly and on the average value, there is no way to prevent higher rates relating to disproportionately increased values.

New arrangements are made so that payment of accounts is conducted in a more businesslike manner. This will prove fairer to all consumers. Payments can be made in one, two, or four instalments, and there is a discount for paying an account in full by 31 July. If the consumer wants to continue the present practice of paying in two instalments, the first half by the end of July and the second half by the end of December there is no charge added. If the consumer chooses to pay in four instalments, as one would expect, there has to be an additional carrying charge. To provide necessary flexibility these details will be spelled out in by-laws, and this Bill itself just enables the making of such by-laws.

It is the intention of the Government to move gradually away from the idea of rates based only on the value of land provided with water services. It already has done so to a large extent; for example, in the case of water supplies for residential land. Our intention is to move more towards charges for services rendered. The analogy of taxi services is useful. It is the intention to charge the equivalent of a flagfall, plus a charge based on distance travelled, as is the case already with domestic water services.

Changes to a mixture of rates and charges cannot be introduced abruptly for both administrative and social reasons. Changes have to be made slowly and carefully and with regard to the overall economic management of the utility, which in this case is water services. In this Bill, which has to be put into effect at the same time, as there are still changes to be made to the Metropolitan Water Supply, Sewerage, and Drainage Act, particular care has to be taken. This Bill advances the process by making provision for rates to be applied flexibly.

There may be different rates for different classes of land. There may be different rates for different classes of land use. There may be allowance made for prompt payment of rates. The authority cannot vary the rates struck or make use of these flexible provisions without the approval of the Minister. The details of the rates have to be made public not only in the *Government Gazette*, but also in a newspaper circulating in the area.

The approach taken to charging for services and for rating is to emphasise efficiency and flexibility, so as to provide simply and at an administrative level for the many different circumstances of owners and occupiers of land. The authority is always subject to the Minister, which ensures that an elected representative and the elected Government as a whole both safeguard and take ultimate responsibility for the provision of water services.

The present exemptions of certain classes of land are kept. The Governor may exempt or cancel exemption from rates a particular portion of land. Since the idea of a rate book of the old-fashioned kind is obviously no longer applicable in these days where computers are used for storage of information, the Bill refers to rating records.

One of the major aims of the new Bill is to increase the efficiency of the new organisation so that water services can be provided to the community at the lowest possible costs. Steps such as reorganisation of the board, new arrangements with developers, and the new, more

flexible rating and charging arrangements are all intended to assist in this regard.

Provisions are made in this Bill for the financial affairs of the new authority. It may borrow money with a guarantee of the Government. It may do all necessary things such as provide credit as a commercial enterprise might do, but due to the fact that it is a semi-Government instrumentality, it is subject to audit by the Auditor General. Not only is it subject to review of its financial affairs, but also it must provide an annual report, which will be laid before Parliament by the Minister. It will therefore be accountable to the public generally.

This Bill is the first of three Bills to be presented in this sitting which indicate the Government's dedication towards improving the provision of water services to the metropolitan area.

There is another Bill which is required to amend the existing Metropolitan Water Supply, Sewerage, and Drainage Act so that the advances made in this Bill can be put into effect.

There will be a further Bill which addresses itself to Statewide problems of water services through the creation of a water resources council.

Furthermore, in the next sitting, it is intended that the legislative review and updating of the whole of the 1909 Metropolitan Water Supply, Sewerage, and Drainage Act will be complete. As evidence of the Government's determination in this regard, I draw attention to the fact that this Bill already contains provision for very extensive liaison between the new authority and local councils, so as to set the framework for their later joint management of drainage.

I commend the Bill to the House.

#### *As to Cognate Debate*

This Bill and the one following it on the notice paper are typical examples of cognate Bills which are provided for in Standing Order No. 258. I wonder whether I should ask now or after the second reading speech of the other Bill for leave to debate the Bills cognately.

The DEPUTY SPEAKER: As the Minister indicated, Standing Order No. 258 provides for a cognate debate where two or more Bills are complementary to each other. The debate on the second reading of all Bills may, by leave of the House, take place on the Bill declared by the Minister or the member in charge of the principal Bill. What I propose to do before putting the question is to ask if leave is granted.

#### *Point of Order*

Mr PARKER: I raise the question as to whether or not the Minister should actually seek leave now or later. I have a preference for cognate debates, and it may very well be that the Opposition will give leave for these Bills to be debated cognately. However, I would not like to make that decision until I have heard the second reading of the other Bill concerned. Through you, Mr Deputy Speaker, I ask the Minister whether he would seek leave at a later stage and it may very well be granted.

The DEPUTY SPEAKER: It is up to the Minister to request this under Standing Order No. 258 at the conclusion of the second Bill. This would enable the Opposition time to consider it, as it is a matter of co-operation from both sides of the House.

#### *Debate Resumed*

Debate adjourned, on motion by Mr Parker.

### **METROPOLITAN WATER SUPPLY, SEWERAGE, AND DRAINAGE AMENDMENT BILL**

#### *Second Reading*

MR MENSAROS (Floreat—Minister for Water Resources) [11.17 a.m.]: I move—

That the Bill be now read a second time.

The principal purpose of this Bill is to amend those portions of the Metropolitan Water Supply, Sewerage, and Drainage Act as are necessary to give effect to the operation of the metropolitan water authority. This, of course, is explained in the previous Bill.

Under companion legislation, the metropolitan water authority is to be established. This new authority is to be the corporate body to replace the board established under the Metropolitan Water Supply, Sewerage, and Drainage Act. The authority will carry out new functions, but it must also carry out those functions of the present board relating to water supply, sewerage, and drainage and certain other matters which are not covered in the Bill which creates it.

This Bill therefore amends generally the Metropolitan Water Supply, Sewerage, and Drainage Act so that, unless the context requires otherwise, a reference to either the Metropolitan Water Supply, Sewerage, and Drainage Board or just to "the board" shall be read and construed as a reference to this new authority. In addition to this general amendment, for particular sections where the draftsman considered that there might be any possible doubt, the amendment to this effect is made explicit, or where appropriate, both bodies are named.

This Bill seeks to repeal or amend numerous sections of the present Metropolitan Water Supply, Sewerage, and Drainage Act in order to give effect to the provisions of the Metropolitan Water Authority Bill. For example, a reference to a "rate" in this Bill and hence in the amended Metropolitan Water Supply, Sewerage, and Drainage Act can include a rate made pursuant to the Metropolitan Water Authority Bill. Such transitional provisions are necessary until the legal review and amendment of the entire present Act is completed. As stated elsewhere, it is the intention of the Government to have this completed in the next sitting of Parliament.

This Bill also presents some important changes in rating, which are consistent with and additional to those changes put forward under the Metropolitan Water Authority Bill. The present Bill enables the authority to use by-laws to set minimum rates and maximum rates. It also ensures that except for circumstances such as a change in land use the rate levied in any one year shall not be more than 40 per cent as much again as the like rate of the previous year. In this way there is imposed by Statute a prevention of any large jump in rates from one year to the next such as occurred to a relatively few people in 1980, when new land valuations were made.

The Bill enables the authority by means of by-laws to introduce additional flexibility into the payment of rates and charges for water supplied to the consumer. The authority may give discount for payment in full by a prescribed time, which will be 31 July. Under this Bill, the authority can give—in fact, if the Bill passes, the authority will give—opportunity for payments in instalments. So as to ensure that the community as a whole does not have to subsidise those who are delinquent in making their payments, the authority may add additional charges for overdue accounts. However, so as to allow for deserving cases where there may be hardship or other good reason, the authority may waive additional charges.

The opportunity is taken to bring the Act up to date in several areas, such as in changing the interest rate on arrears from five per cent to a rate to be prescribed. No customer of the authority could reasonably expect to pay only five per cent interest if his account is in arrears, nor would a person who pays his accounts on time expect the authority to extend credit on such generous terms at what really is his expense.

An important change relates to the fact that it is the intention to have the owner instead of the occupier supplied with the account due, in the first instance. This change in approach, which is justified because it is the owner who has equity in

the land, requires consequential amendments to safeguard the rights of the occupier should he have an agreement with the owner whereby, for example, as part of the rent or in addition to the rent, the occupier pays part or all of the account. This safeguard is given by the Bill which allows the occupier to find out full particulars of the overall assessments.

This new approach of billing the owner in the first place, instead of the occupier as in the past, may require some time before people become used to it. Therefore, very reasonably, the Bill provides an avenue for settling disputes by referral to the authority. This will apply for the first three years of operation of this new system, and that should be quite sufficient a period. The Bill also ensures that any rebates or discounts which the authority may make available under the new system of payments are passed on to the proper persons.

In addition to the repeal or amendment of relevant sections of the principal Act so that the new metropolitan water authority can operate as the new corporate body, the opportunity is taken to update various penalties.

#### *As to Cognate Debate*

Mr MENSAROS: In commending the Bill to the House I seek leave to have this Bill and the one introduced previously dealt with in a cognate fashion during the second reading debates.

Leave granted.

#### *Debate Resumed*

Debate adjourned, on motion by Mr Parker.

### **WESTERN AUSTRALIAN WATER RESOURCES COUNCIL BILL**

#### *Second Reading*

MR MENSAROS (Floreat—Minister for Water Resources) [11.26 a.m.]: I move—

That the Bill be now read a second time.

The purpose of the Bill is to provide the Minister with a source of advice other than from those authorities concerned directly with the business of the supply of water or the associated functions of sewerage, irrigation, and drainage. The preservation, assessment, and management of the State's water resources impinge directly on the activities of many bodies other than the water authorities, including Government departments, industry, recreational organisations, and private persons. The council proposed will provide a means by which the views of these bodies conveniently can be presented to the Minister responsible for the State's water resources.

It is proposed that the council shall consist of 15 members, six of whom will be *ex officio*, and nine appointed for their special interests or expertise.

Although a primary objective of the Bill is to set up a body independent of the major water authorities, it is desirable, and indeed necessary, that these authorities be represented on the council. For this purpose one of the *ex officio* members is to be the Director of Engineering of the Public Works Department, or a person nominated by him, and another is to be the managing director of the metropolitan water authority, or a person nominated by him.

The management of the State forests and the management of the major water catchments are closely interwoven and, for this reason, membership will include the permanent head of the Forests Department. Other *ex officio* members chosen because of their departments' involvement, either in the protection of water resources or in the use of those resources, are the permanent heads of the Department of Agriculture, Department of Conservation and Environment, and the Resources Development Department.

Of the members of the council, one will be appointed as chairman; one on the nomination of the Local Government Association and one on the nomination of the Country Shire Councils Association; one will be nominated by the Perth Chamber of Commerce; another by the Confederation of Western Australian Industry; and another by the Chamber of Mines. In addition, there will be three persons representative of rural interests; one experienced and active in farming in the wheatbelt; one experienced and active in irrigation farming, and one experienced and active in market gardening.

Between them, the members of this council will bring together the wide range of experience and concern that will ensure that the State's water resources are protected, assessed, and managed properly.

The Bill provides for the means of nomination and appointment of the various members, for the terms and conditions of their appointment, and for the appointment of deputies. Provision is made for the offices to become vacant and provision is made also for the appointment of staff and for the remuneration of members other than those officers of the Public Service of the State.

The council will be required to hold no fewer than four meetings a year and to provide a report annually to the Minister.

The major functions of the council include advising the Minister in relation to the assessment, development, conservation, management, and protection of the water resources of the State, in the formulation of policies in relation to water resources and in the priority and relative urgency of the water resource programmes of the State. The council also will consider and advise the Minister on any matter referred to it by him, and tender advice on its own motion. It shall carry out such advisory functions as the Minister may direct. In addition, the council will collaborate with appropriate State bodies to conduct or arrange studies, investigations, and research relating to the water resources of the State and their availability and use.

The council also is required to publish guidelines for the formulation of by-laws for the conservation, management, and protection of water resources, and to promote measures to foster awareness and understanding of water resources and the conservation, management, and use of those resources.

In carrying out its functions, council is required to have regard to the quality of waters, to their equitable distribution, to loss or wastage, to preservation and conservation, to the health and welfare of the people, to the conservation of flora and fauna, and to the preservation of the amenity, nature features, and general character of a locality.

With the approval of the Minister, the council may enter into arrangements with State or Commonwealth bodies, tertiary institutions or other bodies, or persons having relevant specialised knowledge, experience, and facilities for the conducting of investigation, study, or research that may be necessary or desirable for the purposes of its functions.

Provision is made for the setting up of committees, for the adequate staffing of the council, for funding the work of the council, and for auditing the expenditure of funds provided.

I would like to add my very warm and sincere appreciation to the present WA Water Resources Council. Members may be aware that this council was established approximately four years ago as a non-statutory voluntary body. Its composition is not dissimilar to the composition of the council proposed under this measure. The WA Water Resources Council gave very valuable advice to the Minister, particularly in cases where there might have been conflict between the two existing water utilities—the Public Works Department which looks after the country areas, and the

Metropolitan Water Board which looks after the metropolitan area. In response to the Minister's inquiry about the long-term groundwater position, the board tendered advice, and in the short term it has given advice about practical problems such as the Wanneroo wetland area. In the latter case the council undertook a very thorough study to establish the amount of groundwater which could be available and the best way for it to be used without jeopardising the investments of the market gardeners. The council advised the Minister on the best way to allow for reasonable development of the area bearing in mind the conservation of the lakes and the wetland.

So I would like to place on record my appreciation and, indeed, the appreciation of the whole State, to those people who gave up their time voluntarily and offered their expertise in this valuable way. No doubt the composition of the present council will include some of the same people. The council that will be set up under this legislation will be a statutory organisation which will help the Government to be better represented with the Commonwealth and with the other States which, with one exception, all have such statutory bodies.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Parker.

## **WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY AMENDMENT BILL**

### *Second Reading*

**MR OLD** (Katanning—Minister for Agriculture) [11.35 a.m.]: I move—

That the Bill be now read a second time.

Currently the branding of lamb and hogget carcasses is controlled under the Marking of Lamb and Hogget Act 1967-75; but there is no legislation to control the branding of cattle or pig carcasses. Branding of pig carcasses already is widely practised, and there is increasing demand for the branding of cattle carcasses. In particular, there is a need to identify the carcasses of grain-fed cattle and carcasses which have been subject to electrical stimulation, a new technology developed to increase meat tenderness.

The purpose of this Bill is to amend the Western Australian Meat Industry Authority Act 1976 so as to allow regularisation of the branding of carcasses intended for the local market. The Meat Industry Authority Act is concerned primarily with the licensing and rationalisation of abattoir throughput in Western Australia. The Bill represents a new responsibility for the authority.

It is considered that the authority is representative of the meat industry and is a fitting group to advise the Minister on matters relating to the branding of carcasses. In turn, the authority will be advised by the carcass classification and branding advisory committee—a committee which has broadly based representation from the meat and livestock industries.

The legislation is designed primarily to identify the quality of carcasses to the consumer through the control of carcass branding. It also involves the repeal of the Marking of Lamb and Hogget Act. The Bill includes permission to enact regulations that define the characteristics of the carcass which will be the basis of branding; control the branding of carcasses of prescribed animals in prescribed abattoirs; control the design and manufacture of the branding device to be used; allow for the branding of carcasses brought into the State which have the defined characteristics; and allow for the appointment of inspectors.

I commend the Bill to the House.

Debate adjourned, on motion by Mr Evans.

## **GOVERNMENT RAILWAYS AMENDMENT BILL**

### *In Committee*

Resumed from 28 April. The Deputy Chairman of Committees (Mr Watt) in the Chair; Mr Rushton (Minister for Transport) in charge of the Bill.

Clause 1: Short title and citation—

Progress was reported on clause 1.

Clause put and passed.

Clause 2: Section 8B inserted—

**Mr McIVER:** Members will note that on today's notice paper I have an amendment to this clause. The reason for my amendment is that the clause allows the commissioner and Minister to dispose of any of Westrail's assets. I am suspicious of why such powers have been included.

The reason for my amendment is that any intention by Westrail to dispose of its assets should come before the Parliament by way of regulation so that we have the opportunity to debate that issue. The assets of Westrail are too great to allow any of them to be passed to any individual person or company without the approval of the Parliament. My amendment is a safeguard against that.

The clause refers to "any person". In his reply, the Minister must be most specific and explicit in

explaining this. He should tell us why it has been included in a Bill which, in essence, allows Westrail to enter into a joint venture with a private company.

In my speech on the second reading, I emphasised strongly that the Midland Workshops or any other asset of magnitude could be disposed of without reference to any person except the Minister. That is too much responsibility for him. The Parliament should have the opportunity to debate such a decision.

The clause is ambiguous. As the Opposition's spokesman on transport, I cannot comprehend it in its entirety. To safeguard the assets of Westrail, which in turn are the assets of the taxpayers of Western Australia, this amendment should be carried.

I stated in my speech on the second reading the concessions that the joint venturers are to be given, particularly on the leasing of goods sheds and other buildings. I cannot see why the commissioner requires this clause in relation to sidings. He has that power now, and he has had it for years. That makes me suspicious about the intent of the clause.

This clause is a particularly important one. For the reasons I have outlined, I trust that the amendment will be carried.

Mr RUSHTON: The provision is a general framework to enable the negotiations on detailed arrangements for the joint venture. The member will see that the Commissioner for Railways has a responsibility to maintain and run the railways.

The member for Avon spoke about the Midland Workshops as being something that could be sold. Of course, he would know that that could not happen.

The DEPUTY CHAIRMAN (Mr Watt): Order! I ask the member for Avon whether he was of the opinion that he had moved his amendment, because he did not.

Mr McIver: I thought I indicated that I moved the amendment.

The DEPUTY CHAIRMAN (Mr Watt): The member indicated he had an amendment on the notice paper but he did not move it. If the member wishes, the Minister can respond and the member for Avon can then move his amendment.

Mr McIver: Yes, I will do that.

Mr RUSHTON: It was intended that the amendment should be moved and I was proceeding on that basis. As had been mentioned this is a provision to enable the joint venture to go forward. Obviously, it is intended that with the sale of the road vehicles capital will be generated

which will enable Westrail to participate in that joint venture.

Mr McIver: Did you say the road vehicles were to be sold? That is, Westrail road vehicles?

Mr RUSHTON: Yes. The other party has to generate its own capital for the \$2.5 million. If members look at the Government Railways Act they will see it spells out the responsibilities of the Commissioner for Railways in section 13 (1), where it deals with the direction, management, maintenance and control of the Western Australian Government Railways. The powers of the commissioner are spelt out in section 13 (2).

Mr McIver: Section 13 (2) also says the commissioner has to do it by calling tenders. He has the power, but it must be done by tender.

Mr RUSHTON: The commissioner of course is responsible to the Minister who must give his approval. It is beyond comprehension that we would say that these matters would have to be tabled in Parliament before we approve the formation of a joint venture. A commercial business cannot be run in that way, particularly one like Westrail which is a \$200 million-plus business. It is inconceivable that this could be acceptable.

The Opposition has been supporting greater freedom for Westrail and it wants Westrail to be taken out of the political arena. Now the Opposition is suggesting we should fetter Westrail to a degree where it cannot operate. We know that segments of Westrail's operations like the Midland Workshops, which are required for the running of the railways, could not be sold and are the responsibility of the commissioner. The Opposition's argument is contradictory.

It intrigues me that after we took over as a Government we heard noises that the Tonkin Government had intended to sell Westrail to the Federal Whitlam Government. I understand the money was available and that the deal would have been consummated in a matter of a few weeks. We are now trying to strengthen Westrail and give a positive response to its recommendations. Yet we are being criticised by the Opposition which was prepared to sell our railways to the Whitlam Government.

Mr Evans: What do you mean "sell"?

Mr RUSHTON: Well, give it away. I am glad the member for Warren has confirmed that because he was a member of that Government. South Australia of course is now in that position and the Commonwealth Government has done all sorts of things that, in the opinion of the State Government, are not in the best interests of that State's railways. They have closed services and



systems and it is a real worry to the South Australian Government. I know that because from time to time I speak to the South Australian Minister for Transport. Of course the economic situation would preclude South Australia from taking back the railways. As I said earlier, South Australia deregistered and incurred a lot of extra debts in Premier Dunstan's time by not doing it the way we are. But now the Opposition asks us to put restrictions on Westrail in an endeavour to stop it doing anything, whereas what I am proposing is the ordinary course of business. There are checks and balances. Westrail is subject to the Minister and in financial matters it is subject to the Treasurer as well. We have satisfactory controls and I submit we do not need those restrictions.

Mr COWAN: Mr Deputy Chairman (Mr Watt)—

The DEPUTY CHAIRMAN (Mr Watt): Would the member for Merredin like to allow the member for Avon to move his amendment formally or does he wish to speak on the clause?

Mr COWAN: I wish to speak on clause 2 and will speak on the amendment when the member for Avon moves it. This clause provides for the mechanism through which the Government can establish the joint venture. We believe there is no necessity for such a joint venture in Western Australia. We maintain that "Westfreight" should have been established. We have not heard any real argument in this debate to indicate that "Westfreight" could not be established. Reference has been made to the matter of the unions and the staff excesses of Westrail. But I believe the Government through its top Westrail officers and the unions never seriously negotiated the reduction in staff that would be necessary for Westfreight to be able to operate from a strong commercial basis.

I am quite certain that if the unions had been presented with the choice of survival or extinction, they would have opted for survival. I am sure that any member opposite who is more familiar with the operation of unions than am I, would accept that that is correct. Had there been further negotiations between Westrail senior officers and the unions responsible for staff at places such as Kewdale, or in country stations and sidings, they would have said they would rather survive than be totally wiped out. That position never came about. We believe that the Government could have established "Westfreight" had it decided to do so. The unions would have had some meaningful discussions and "Westfreight" could have come about. I believe the reason "Westfreight" did not go ahead was that the Government saw it might

have to expend a certain amount of capital to establish its own road freight company, and it did not want to do that. It appears to be a question of the Government's deciding which should have greater priority—those railcars which have just been purchased for a very large sum of money—or the necessary capital requirement to establish a road transport company within Westrail's existing facilities.

We believe the Government could have accepted that priority in place of some of the other areas of capital expenditure within the Westrail system. In the past the Government has introduced adequate amendments to provide for "Westfreight". We do not see any need for a joint venture, although we accept that deregulation must take place, to allow for competition and autonomy. The Government should have established "Westfreight" and, for that reason, we oppose the clause.

Mr McIVER: I appreciate the remarks made by the leader of the National Party. From what he said, it is clear he has a good understanding of the provisions in the Bill. It is a pity I cannot say the same for other members opposite who have spoken in this debate.

The Minister referred to a "general arrangement" and I dispute the use of that term, because it is an arrangement which suits Mayne Nickless Ltd. I was very concerned when I read this clause to see that, where assets are involved, the commissioners must go to tender. I appreciate that, in certain minor areas, it should not be necessary to bring these matters before Parliament, but it appears the commissioners are given wide-ranging powers in this clause.

The Minister said the Tonkin Government intended to give the State railways to the Federal Government, but that is not correct. Negotiations were being conducted and the proposal was criticised strongly by the joint railways unions. However, no decision was made. Indeed, we may have been better off had we put that proposal into effect, in view of the actions the present Government intends to take. It is biting into the assets of Westrail.

Mr Rushton: You had a commitment to sell it.

Mr McIVER: We did not. The proposal was only at the negotiation stage.

Mr Rushton: Money was ready for it.

Mr McIVER: The Australian National Railways in South Australia is experiencing difficulties, because of cutbacks in Federal funding. Members may recall an article which appeared in *The Western Australian* recently and related to the reduced Federal funding of the

South Australian railways. They are being starved of funds in the same way as this Government is starving Westrail not only in a financial sense, but also in all other ways. The Government is building a managerial empire and the joint venture will be top heavy. So-called "experts" are being employed by the Government, but many of them know little about the actual workings of the railways. The ordinary railwayman is being made redundant and I cannot see the economics behind that sort of tendency.

Mr McBain, the Manager of Total Transport Services in NSW, was brought to Western Australia by Mayne Nickless Ltd. to organise the joint venture. However, he submitted his resignation and withdrew his support which makes one wonder what is going on. This legislation is very dangerous and, therefore, I move the following amendment—

Page 3, line 19—Add the following passage—

Before approving any proposal made under this sub-section, the Minister shall lay the proposal before each House of Parliament whereupon the provisions of section 36 of the Interpretation Act 1918, as to the disallowance amendment, variation or substitution of regulations shall apply to that proposal as if the proposal had been a regulation.

Mr RUSHTON: The Government opposes the amendment and I am sure the honourable member understands why, because I have spelt out already its restrictive nature and the lack of need for it as far as protecting the railways is concerned.

Suddenly the member for Merredin has become wedded to the concept of "Westfreight". Such a recommendation appeared in the SWATS report and it was necessary to ascertain whether it should be implemented. Members may not be aware the first concept of "Westfreight" was that the transport of smalls would be separated from Westrail in order that it could get on with the business of carrying bulks, which is its prime form of transport and which it handles very well.

The concept of "Westfreight" was examined to ascertain whether it could operate in competition with the road transport system. However, in view of the fact that such a system has been tested and found wanting in other places, it was decided such a proposal was not satisfactory. The concept considered was one in which a transport company would operate under the umbrella of Westrail. However, it was considered little advantage would be gained by imposing another transport company

on the system when fierce competition exists already in the area of road transport in this State. It was decided the joint venture was the best way in which the economic change could be achieved. It was also decided such a proposal would provide the best level of protection for railway employees, Westrail, the taxpayer, and the consumer.

I do not think the member for Merredin was present when I indicated the basic reason the proposal he put forward would not work. Over the years members of the Australian Railways Union have won conditions which are superior to those enjoyed by the private sector. They have doubled their long service leave entitlement and their superannuation set-up.

Mr McIver: Have they ever indicated they were opposed to such a venture?

Mr RUSHTON: They visited me and we discussed the matter.

Mr McIver: I understand they were 100 per cent for such an operation.

Mr RUSHTON: They left with an open invitation from me to come back with a proposal, which I never received. We discussed such an operation and they began reminiscing about the conditions they had won and they thought the idea represented a retrograde step. They thought they might lose those conditions. Anyone in the Chamber who thinks deeply about this subject will acknowledge that we cannot run a competitive system when our competitors have only half the cost structure that we have. This was why the "Westfreight" concept was not continued. I have said that four different concepts were tested and the joint venture concept was found to be in the best interests of all parties. The best interests of Westrail for the future lies in the bulk area, which will be retained by Westrail. It will continue to cart bulk loads rather than fragmented loads. The member for Avon would agree that Westrail carries bulk loads better than anyone else.

Mr McIver: Would you not agree that cement and timber are bulk?

Mr RUSHTON: We see no reason that timber should not be left with rail. Of course, cement comes in smaller lots.

Mr McIver: You are indicating that Westrail will be hanging on to timber consignments and not passing them to the joint venture.

Mr RUSHTON: My objective is that Westrail should be free from cross-subsidisation and should be able to provide attractive rates to its customers.

Mr McIver: Mayne Nickless Ltd. is not interested in smalls; it wants to get its hands on bigger things.

Mr RUSHTON: We intend that Westrail will be competitive with other modes of transport for the cartage of bulk items. Therefore, its freight rates must be competitive. That will be an advantage to Western Australia as an export State and an advantage to the general transport system of the State. The proposal is being projected in the best interests of the customers, and their interests are of paramount concern to us. The venture will be of advantage to taxpayers because there will be a contracting deficit; it will retain more railwaymen than any of the other systems proposed; and it will provide Westrail with the best future possible at this time.

In no way do we accept the alternative concept suggested by the member for Merredin and we do not accept the amendment from the member for Avon, which really would put a straightjacket on Westrail. Although the member for Avon said that the idea of giving Westrail to the national system was not adopted, it would not have been many weeks before that did occur had the Tonkin Government been re-elected. Had that happened we would not be in a position not to allow the national railways to take off certain systems. It is ludicrous for anyone to suggest that what we are doing is not in the best interests of railways in Western Australia.

Mr STEPHENS: In view of the comments made earlier by the member for Merredin, members will not be surprised that the National Party does not support the amendment moved by the member for Avon. The amendment does not go far enough; in fact, the clause should be deleted.

Mr Bryce: The wishy-washy social democrats did not go far enough.

Mr STEPHENS: We are seeking to have the entire clause deleted.

Mr Brian Burke: How many of you?

Mr STEPHENS: During my speech at the second reading stage I mentioned my support for the "Westfreight" concept advanced by Westrail's co-directors in their SWATS report. The Minister by interjection indicated that Westrail did not go along with that concept.

It was rather strange that Mr Pascoe, who for years had been Commissioner for Railways with a very extensive understanding of their operation, was quite happy to make that recommendation in the SWATS report, yet the new commissioner could not go along with it.

In the Minister's reply he said the "Westfreight" concept was not acceptable because of problems with conditions of service with Westrail employees and private operators. Of course, these conditions of service would need to be virtually the same if the "Westfreight" concept were to compete with private operators. I would have been more convinced of the Minister's argument had he in fact tried to negotiate with the union. He glibly said he could not come to any arrangement with the union and there was no point in trying. Had he genuinely tried to come to an arrangement and still failed to reach an agreement, perhaps I could believe there was some substance in his remarks, but no such effort was made. I do not think the Government wanted to do anything about the "Westfreight" concept.

The DEPUTY CHAIRMAN (Mr Watt): Order! I remind the member that we are debating the amendment moved by the member for Avon.

Mr STEPHENS: I am trying to explain why I cannot support it.

The DEPUTY CHAIRMAN: I realise it is a difficult area in which to be precise, but I ask the member to keep to the amendment, because there will be other opportunities to debate the clause after the amendment has been disposed of one way or another.

Mr STEPHENS: The member for Merredin mentioned that the Government could not see its way clear to meet certain capital costs, but capital costs would not have been required. The "Westfreight" concept quite easily could have overcome any problem with capital by entering into contractual arrangements with road operators. This would have enabled "Westfreight" to involve more local carriers in the country. If this legislation is passed many country carriers will be seriously disadvantaged.

I do not accept the Minister's assurance that country carriers will be able to compete. They may be able to compete, but on an uneven footing. Had the "Westfreight" concept been developed with contractual agreements, country operators could have been fully involved without any additional cost to the Government.

We oppose the amendment. At a later stage we hope the Committee will support us in rejecting the entire clause.

Mr GORDON HILL: The Minister commented earlier that the amendment was too restrictive, but I do not believe that comment was appropriate. At present this Parliament is controlled by the members on the other side of the Chamber, and in the event of a matter concerning the disposal of property coming before this

Parliament the Government probably would get its own way; but at least the Parliament would be the forum for such disposals to be discussed openly, and they would not be left to the approval merely of the Minister.

The Minister suggests that the Opposition does not trust Westrail, but such a suggestion is nonsense. If anything we do not trust the other side of the Chamber. In support of that I refer to undertakings the Government has given on matters concerning my electorate. For example, the Government said that the Midland Abattoir would not close down, and approved considerable expenditure to improve the abattoirs, but still closed it down. The Minister for Transport gave the assurance that the Midland Workshops would never be sold, but that assurance is not comforting to us.

Mr Rushton: They would have been by the Tonkin Government, but it didn't have enough time.

Mr GORDON HILL: The Tonkin Government considered a move to hand Westrail management to the Commonwealth, but no decision was made.

Mr Rushton: It had been made.

Mr GORDON HILL: If such a decision were made and implemented I am sure that today we would not be considering the implementation of this joint venture. If Westrail had been taken over as considered by the Tonkin Government, the freight section would now be operating at a profit, not at a loss.

Mr Rushton: Taxpayers are paying a lot more in South Australia now.

Mr GORDON HILL: The \$7 million deficit would have been turned into a profit.

Mr Sibson: In respect of the closing down of the Midland Abattoir, the first prize for that would have to go to the previous member for Swan for the way in which he carried on in this Chamber about it.

Mr GORDON HILL: I cannot speak on behalf of the previous member for Swan; it is not appropriate to raise that matter because he is no longer in this Chamber to defend himself.

Mr Herzfeld: It's a matter for the record.

Mr GORDON HILL: It is not appropriate.

Mr Tonkin: That's got nothing to do with him.

Mr Sibson: I made a comment for the record; I didn't ask him to answer.

Mr GORDON HILL: The Government spent a considerable amount of money to have the Transmark report prepared which made certain recommendations in regard to the Midland

Workshops. It was appropriate for money to be spent on such a report, but it could have been prepared by officers of Westrail. In fact, many of the recommendations in the report had been proposed by Westrail officers and people involved specifically with the Midland Workshops. The Government has spent a considerable amount of money on improving the Midland Workshops, and considerable worthwhile improvements can be seen. Personally, I would not like to see any part of the operations of those workshops handed to private enterprise.

Mr McIver: Of course, this Bill leaves the way open for that to happen.

Mr GORDON HILL: All that the Opposition seeks by this amendment is that the disposal of property be considered by the Parliament in open debate; therefore, I support the amendment.

Amendment put and a division taken with the following result—

## Ayes 16

Mr Bertram	Mr Gordon Hill
Mr Bryce	Mr Hodge
Mr Brian Burke	Mr T. H. Jones
Mr Carr	Mr McIver
Mr Davies	Mr Parker
Mr Evans	Mr Pearce
Mr Grill	Mr Tonkin
Mr Harman	Mr I. F. Taylor

(Teller)

## Noes 24

Mr Blaikie	Mr McPharlin
Mr Clarko	Mr Mensaros
Mr Court	Mr O'Connor
Mr Cowan	Mr Old
Mr Coyne	Mr Rushton
Mrs Craig	Mr Shalders
Mr Crane	Mr Sibson
Mr Grayden	Mr Sodeman
Mr Grewar	Mr Stephens
Mr Hassell	Mr Trethowan
Mr Herzfeld	Mr Young
Mr Laurance	Mr Nanovich

(Teller)

## Pairs

Ayes	Noes
Mr Terry Burke	Mr MacKinnon
Mr A. D. Taylor	Mr P. V. Jones
Mr Barnett	Dr Dadour
Mr Wilson	Mr Tubby
Mr Bateman	Mr Spriggs
Mr Bridge	Mr Williams

Amendment thus negatived.

Mr COWAN: I am prompted by the Minister's remarks to make certain points on this issue. We are still quite convinced that the best course is to establish "Westfreight", and in the context of this clause I will raise matters concerning country carriers.

The Minister stated that country carriers will have an opportunity to compete successfully for the transport of certain commodities. I do not

believe that will be the case. Two factors indicate that.

Firstly, the commodities likely to be suitable for country carriers to accept and transport will be those originating in the areas in which those carriers live, and of course I am referring to commodities such as agricultural produce. Regrettably, some agricultural produce by regulation will be handled by the joint venture, as was stated by the Minister, and that is one example of how country carriers will be unable to compete on an equal footing with the joint venture. The second example—and this is very important—relates to the fact that any person involved with the joint venture in its transportation of freight is not likely to allow country carriers to take work from areas which are likely to be profitable to the joint venture; it is only natural that such people are likely to want to keep those areas for the benefit of the joint venture. Surely the Minister does not expect me or other members of this House to be so naive as to believe that the joint venture will allow country carriers to operate in areas where there is a profit to be made. I assure him we are not that naive.

The second factor is the employment opportunities that will not be made available as a result of country carriers not being able to expand their businesses or compete successfully or on an equal footing with the joint venture. As a result of their not being able to expand, employment opportunities in country areas will not increase. Employment opportunities through Westrail in country areas will decrease, but there will be no compensating factor because the country carriers will not be able to compete successfully. Jobs will be lost.

Mr McIver: That will be a fact of life.

Mr COWAN: I have not referred to the cost of transporting goods under the joint venture because, quite frankly no evidence has been presented in this Chamber or in any other place to indicate what the costs will be.

Mr McIver: You can take it they will charge what they like.

Mr COWAN: Westrail will maintain a 50 per cent interest in the joint venture.

Mr McIver: The board can repudiate that overnight with the vote of the chairman.

Mr COWAN: I accept that, and I expect that Westrail will exert some influence to keep charges to a minimum, although it will have only a 50 per cent interest.

Mr McIver: An equity.

Mr COWAN: It is a 50 per cent involvement. The member has said that no mechanism exists to force or bring about equitable charges being imposed, and that is quite right; the joint venture will be able to charge what it likes.

It worries me greatly that we may not see a reasonable freight cost structure, and suddenly we will see an escalation of charges. That is what happened with the transportation of chilled goods. Initially there was a small increase, and that was supported by the statement that the goods were delivered from door to door whereas previously a second form of transport had to deliver goods to the door. However, after six or 12 months of the new operations we saw a dramatic rise in the cost of transporting chilled goods.

I am not certain that the alternative "Westfreight" proposition would mean a decrease in the cost of freighting goods, but it was a concept promoted by the SWATS report and should have been given a try by implementation. I do not like the idea of giving a large transport company a leg in the door, because that definitely will be at the expense of Westrail and, I believe, at the expense of country carriers.

I represent country people and believe more than anything that country people will find the Government's decision on this matter will result in an increase in the cost of transporting goods. As a result of the operation of the joint venture we will not have a Government-run body over which the Government has some control; when freight costs are increased it will be even more difficult to extricate ourselves from the situation.

Mr I. F. Taylor: That's quite right.

Mr COWAN: I am very much opposed to the clause and the fact that the joint venture is to be given a try.

Mr RUSHTON: I make the point at the outset that the concept of "Westfreight" was considered. However, the joint venture concept will separate the category of smalls goods from the operations of Westrail, because up till now those goods have been subsidised by Westrail in its carriage of other freight. Westrail carries bulks better than any other form of transport, and the joint venture will enable Westrail to operate those services in a more commercial and profitable way. So, certainly the exporters of this State, our agricultural people, will have the benefit of the best transport service for bulk freight that can be introduced.

Westrail thought it through and came forward with this joint venture operation which would do what we are setting out to do in relation to recovering the social services costs from Westrail

as to the smalls and to allow Westrail to get on with the job of bulk cartage.

The member for Merredin brought his issue forward with sincerity. He has been known to make other propositions which have not always worked out, but he is certainly entitled to express his views and concern. The point of view of the country carriers can be highlighted. They are considered to have a closer relationship and to generate greater loyalties with the people in various communities, which gives them an advantage. If that is not so, of course, there is a lack of service or communication between the local carrier and the local people. The point the member for Merredin raised is that the joint venture itself will hold onto all those parts of the transport industry that are profitable to the joint venture and many other transport companies. Generally people who are in a main line transport organisation see that the local carrier is far more efficient in distributing the local goods than they are. Already they have been out seeking agents in these towns with that objective in mind. It is obvious. I have lived in many country towns and the local carrier knows everybody on a personal basis and therefore could generate the maximum freight, whereas the person who is operating from a distant centre, with all the inflexibilities of that operation, is not able to get down to the grass roots.

Mr Cowan: There is a difference between the agent and someone being able to just carry the freight.

Mr RUSHTON: I was going to touch on that next. The member was saying that as an agent, he will not have this opportunity. Of course, he will.

Mr Cowan: I am not saying that at all. I am saying he will be denied the opportunity to act as anything but an agent.

Mr RUSHTON: I will turn to the next point about his being able to operate in his own right. A submission came forward from local carriers headed by the carrier at Bunbury. There are numerous carriers which are regarded as being small carriers. Those carriers have got together and put up a proposal that they would be in the joint venture with Westrail; they missed out, mainly, for the reason that they could not employ Westrail staff, but they showed their capacity to be able to operate. They have been working very hard at putting their act together. I have spoken to some of these people.

Mr Davies: Their act wasn't as good as yours.

Mr RUSHTON: They are going to join together and work with each other using a common base and they will do as well as some of

the big companies and the joint venture. It is up to their capacity to manage their system and to give service, to hold freight rates to a minimum, and to win the business like any other person in competition.

I hope that will give the member for Merredin an indication that people are not just sitting down and taking things for granted. The competition is quite extensive in country towns now. I was at Narrogin last Friday week when they indicated that people are seeking the business and seeking to have local people made their agents.

Mr Davies: Of course they are; it is lucrative for them to do so.

Mr RUSHTON: At Albany last Friday some of these people had been appointed and they are ready to get in and do this business. This is what competition is all about. This is what will reduce the rate of the freight that will be charged. This is healthy.

We have projected this sort of thing for a long time in relation to other transport matters and it seems to be inconsistent of the member to be speaking the other way.

Mr Cowan: I just do not believe that you have, in this clause, the mechanism which will provide or allow genuine competition.

Mr RUSHTON: The member has not been able to demonstrate why they would not be able to be in a competitive position, and I bring him back to the point about the operator again.

A syndicate of country carriers is putting a system into operation. Obviously, if a carrier in the member for Merredin's electorate wanted to carry goods between that area and the city, he could be invited to join this syndicate. The people forming this syndicate do not need to be related in any way to the joint venture. The healthy point is that freight rates will be competitive on both rail and road. That carrier could have freight sent to him by rail for distribution by himself.

Mr McIver: What sort of freight?

Mr RUSHTON: Anything he likes, other than bulk.

Mr McIver: No he cannot. It has to be in wagon loads.

Mr RUSHTON: That is what it is all about. The member would rather a full wagon being used just for grandma's hat or for a crate of eggs! This is what has been happening and what we want to put aside.

Mr McIver: Do not be facetious. And you tell me that these carriers are going to carry grandma's hat! Who will?

Mr RUSHTON: The syndicate will organise its own operations. Westrail has not been carrying full train loads for some time and this freight could have been carried by road.

Mr McIVER: What about unattended sidings? We know several of them will be unattended when the joint venture is implemented.

Mr RUSHTON: This happens already. Local carriers are operating on behalf of Westrail in some instances.

Mr McIVER: They are all attended.

Mr RUSHTON: No, they are not. The member for Avon is not up with it.

The member for Merredin mentioned that agricultural products could not be carried by local carriers. The Government and the member for Merredin have said that bulks should be freighted by rail and that position will not be changed. I understood the member for Merredin to say that the transport of agricultural products should be available to local carriers. The Government is ensuring that the rail system can handle bulks in this State. At this time, it certainly cannot see bulk freight being taken off the rail. The Government will support the system to the degree where it believes the railways will attract more bulk freight because the freight rate will be less.

Mr Cowan: It has not done so yet. Last year the grain tonnage to port by road transport increased.

Mr RUSHTON: The member is selling out the railway; that is what hurts me.

Mr Cowan: I am not. Your price is not competitive enough to get primary producers to say that it is the cheapest form of transport. They know it is cheaper by road.

Mr RUSHTON: It is like the chicken and the egg. A most competitive situation will exist. If what the member seeks actually happened he would not like it. Obviously, the member for Merredin does not want the proposal to be implemented.

Mr McIVER: The Minister's reply to the member for Merredin was not very convincing. The member for Merredin raised some important points. Firstly, he was correct when he expressed concern about local carriers. We are well aware the joint venture will appoint carriers in regional centres to handle smalls. However, in most centres more than one carrier currently is relying on that work.

Mr Rushton: More than one transporter?

Mr McIVER: I am referring to the local scene.

Mr Rushton: You are not referring just to the joint venturer?

Mr McIVER: In my electorate a carrier already has been appointed by the joint venture. He was appointed before this Bill came before the House. What about the other carriers? Will they have the opportunity to get a slice of the cake? The Bill contains no provision for agents' fees and costs incurred. Therefore, how can the Government say the joint venture will save \$7 million? It is a figure the Government has simply plucked out of the air for the purpose of discussion. In fact, the Government will increase its deficit considerably.

The Minister has said that all bulk traffic should be freighted by rail. I agree with him because it would encourage freight. How consistent is the Government? One has only to look at the ilmenite that is transported from Capel. Is it freighted by Westrail or is it transported by road?

Mr Rushton: It is transported by road by Westrail.

Mr McIVER: The Government cancelled that service and it is now carted by private road contractor.

Mr Blaikie: Westrail is one of the prime contractors.

Mr McIVER: If we followed that argument, it would be carted by Westrail. Minerals, bulk oil, mohair, and chaff are transported by rail. The Government is giving away the wool traffic despite the fact that it receives an income of \$3 million from this traffic.

Mr Rushton: No, that is wrong.

Mr McIVER: The Government says it will reduce its deficit by \$7 million.

Mr Rushton: We are not giving it away. We are saying to the farmer that he can cart it himself.

Mr McIVER: The farmers have been carting wool for many years.

Mr Rushton: They have been able to cart it in particular areas.

Mr McIVER: I know, and the Minister knows, the areas to which I am referring—areas such as the York Shire and the Beverley Shire where there is no railway service. Of course these people cart the wool themselves, because they must.

I was referring to other areas where the goods are picked up by the railway trucks which, in many cases, take the goods straight to Katanning or Northam and from there to the Fremantle markets. This will not happen under the joint

venture. The farmers will have to make alternative arrangements. Negotiations will have to be conducted with the joint venture.

Mr Rushton: No they will not; it will be under Westrail control.

Mr McIVER: Westrail road trucks will be given to the joint venture.

Mr Rushton: They will be sold. Westrail will control bulk wool. You need to get that firmly in your head.

Mr McIVER: In his second reading speech the Minister said farmers will be able to cart their own goods.

Mr Rushton: They will be able to cart mohair and chaff. Ask the member for Merredin if he supports that.

Mr McIVER: I am referring to farmers in Clackline, Katanning, and other areas; under the joint venture, they will not be able to send their goods direct to Fremantle, Albany, or Esperance for two reasons: Firstly, no Westrail trucks are available to do it, and, secondly, the farmer will have to do it.

Mr Rushton: What about the local carriers?

*Sitting suspended from 12.45 to 2.15 p.m.*

Mr McIVER: Prior to the luncheon suspension, I indicated to members my belief that Westrail will lose a large amount of money in relation to the transport of wool. Members have failed to realise that everyone will become a carrier. Everyone will be carting his own goods—it will be an open situation.

Mr Rushton: Not for bulk.

Mr McIVER: As I say, that must be defined. The Minister has indicated that some of the bulk transport could go to the joint venture. From the information I have received, I understand there will be no question about that. It will not be very long before the joint venture will be expanding into grain traffic.

Mr Crane: They would have to shoot me first.

Mr McIVER: Members will recall that when road transport was first used to cart grain, the trucks created hazards on our highways.

Some of these rigs can carry as much as 25 tonnes, and I have no hesitation in saying that there will be an increase in the road toll with more of these heavy haulage vehicles on the roads. I am sure members will agree that it is very frustrating to get behind one of these big interstate semiarticulated vehicles.

Mr Sibson: Could I ask a question: You are the Opposition spokesman for transport aren't you?

Mr Carr: A good question!

Mr McIVER: The answer is, "Yes".

Mr Clarko: You are the best one they've got.

Mr Sibson: Also, you are the spokesman for road transport?

Mr McIVER: Transport covers all aspects of it, yes.

Mr Brian Burke: Does it cover cars and trucks too?

Mr Sibson: I just wanted to—

Mr Young: When the brother of the Leader of the Opposition was a spokesman for something or other, he said something once that really embarrassed him.

The CHAIRMAN: I suggest that the member for Avon should ignore the interjections and proceed with his argument.

Mr McIVER: I do not see the relevance of the interjection of the member for Bunbury.

Mr Sibson: You will one day.

Mr McIVER: I have never turned my back on submissions from road transport associations. Rather than jump to conclusions, the member for Bunbury ought to use the telephone to talk to these people. I am sure they will agree with what I have said.

I will have an opportunity to elaborate on this matter during the third reading stage. However, I would like to say that I agree wholeheartedly with the comments of the member for Merredin about this joint venture. I am sure many members do not understand what it is all about. Irrespective of the Minister's verbiage, I am sure that he does not understand many aspects of it. With those remarks I strongly oppose the clause.

Mr STEPHENS: The clause we are debating now is the one which will enable the Government to go ahead with the joint venture proposal, and it is one to which we, in the National Party, are particularly opposed. We have advanced our reasons for the stand we have taken, but the Minister's replies to our arguments were very weak. He has not convinced us in any way whatever.

Before the luncheon suspension, the Minister referred to the intensive competition that will be permitted with regard to the 325 000 tonnes of smalls traffic under this joint venture arrangement. In many areas, the traffic will be insufficient to justify any competition whatever.

If the Minister is so sure that competition will solve all the problems, I will pose a question to him: Why, as Minister for Transport, has he denied other airline companies the opportunity to offer competition to Airlines of Western Australia



on routes in the north of this State? On the one hand, the Minister is refusing to allow competition on the grounds that there is insufficient traffic to justify that competition and that it would be more costly, and in these circumstances he is now trying to convince us that unrestricted competition with this limited amount of traffic will bring about a reduction in freight charges. The reverse will happen. The reasons for that opinion have been canvassed here over a period of time.

When the SWATS report was brought down, the National Party was pleased to see the recommendations of the co-directors for a "Westfreight" concept, because the National Party policy was for Westrail to be made into a fully autonomous body. Such a concept was consistent with that policy.

In our policy, we also wanted the accounting procedures in Westrail to be improved so that they would reflect the costs of operation. With the actual costs of operation identified clearly, Westrail would have been in a position to have a degree of flexibility and to compete with the private operators in the operation of freight transport in Western Australia.

We go along with the concept of deregulation and reasonable competition. However, what the Government is advancing at the moment will not do that. It will be to the disadvantage of the country people.

We have placed our views clearly on record. When the next election comes, this still will be an election issue.

The member for Merredin mentioned earlier today the situation when chiller goods went to OD Transport. Initially, the increases were kept down to a minimum for about six months, and then they took off. I make the prediction with regard to the concept being advanced by the Government that until the next election the rates will be kept down; but after the next election, anything could happen. The onus will be on the Government.

Mr Tonkin: Open slather!

Mr STEPHENS: As the "Westfreight" concept is in line with National Party policy, nobody would be surprised to learn that we seek to have this clause deleted.

Mr RUSHTON: The name that escaped my memory relating to road transport at Bunbury was John Kelly. Mr Kelly headed a syndicate which made a submission to be a joint venturer. I understand they have been active in combining with other carriers throughout the State to run services and provide competition.

Mr Sibson: That is correct.

Mr RUSHTON: The other point I want to make—

Mr Sibson: That company will still operate, despite the fact that it didn't get in.

Mr RUSHTON: The member for Avon made the point that Westrail would lose \$3 million through the decision to free wool, and enable farmers to cart their own wool.

Mr McIver: I think it would be closer to \$4 million.

Mr RUSHTON: That is an extreme figure. That would apply if the farmers and the carriers had a total exemption for the commodity.

Mr McIver: I was quoting only the figure you gave in answer to questions asked in the House.

Mr RUSHTON: If the member looks at it closely, he will find that a much lesser figure relates to the farmers' exemption.

Mr McIver: I was quoting only your figure.

Mr RUSHTON: The member should read it again, and bring it to me. I will confirm the figure for the freeing of wool to both the farmer and the contractor. That is what that figure would be.

Mr Cowan: What sort of profit are you making out of wool at the moment?

Mr RUSHTON: I am saying the cash loss would be related to the figure quoted by the member for Avon.

Mr McIver: Your reply to the question was \$3.4 million.

Mr RUSHTON: That figure includes the component for the local carriers. The local carriers will not be exempt, so that figure should not be added.

The member for Stirling indicated that he and his colleague have not been convinced. I have never known them to be convinced by anything that has been presented to this Chamber; so that is nothing.

Mr Brian Burke: That is not right. They have voted with the Government time and again.

Mr RUSHTON: They voted with the Opposition time and again, too.

Mr Stephens: The Liberal Party often votes with the Opposition.

The CHAIRMAN: Order!

Mr Brian Burke: Gross inaccuracy.

Mr Tonkin: Keep personalities and politics out of it.

The CHAIRMAN: The Chamber will come to order!

Mr RUSHTON: The member for Stirling mentioned—

Mr Brian Burke: I thought he had adjourned it again.

Mr RUSHTON: He is such a smart aleck. He will be found out for what he is—big bag of wind!

I am answering the member for Stirling. He raised the point regarding the areas that did not have a good service. As has been mentioned on many occasion, they will still have a franchised service. A number of franchised services will continue apart from the joint venture.

Mr Stephens: You misunderstood the point I was making. It is a question of whether it will be sufficient for more than one operator. You are protecting Airlines of W.A. because you say there is insufficient traffic.

Mr RUSHTON: The principle applies similarly to each segment of the transport industry. The air services are under review at the moment. We will have recommendations relating to this shortly.

The member for Stirling raised the question of the service to areas with a limited amount of freight. If competition will work, that is one way. If the local carrier can put that freight together and handle it satisfactorily, that is another way. If that cannot be done, a service would have to be given to those areas. In some regions, a subsidy will have to be provided to ensure that those areas receive a satisfactory service.

Mr Brian Burke: How much will the subsidy cost?

Mr RUSHTON: The member for Stirling mentioned the modernisation of accounting. That is being done, and we have been identifying costs. This is all part of the ongoing policy of separating social services from the operations of Westrail. I am pleased to hear that the member for Stirling and the member for Merredin support the part of the process that we are going through, and that they support deregulation and "reasonable" competition. The word "reasonable"—

Mr Stephens: Do you admit now that we can be convinced on certain things?

Mr RUSHTON: The member for Stirling and the member for Merredin did not need convincing in that, I would hope.

Members opposite are mixed up. Some support the Bill and some do not; so we do not know what they are doing.

Mr Brian Burke: You don't know much at all.

Mr RUSHTON: It is clear the member for Stirling cannot lose under this system. If it is successful, he will not say the Government has

done a good job, and if freight rates increase, he will have much to say about it. The member for Stirling will win all the way around.

Mr Stephens: If it is successful, I will be the first to congratulate you.

Mr RUSHTON: The member stated the freight rates would be kept down until after the election. Under a system which operates on a competitive basis, that is not possible.

Mr Stephens: Be fair! I was making a comparison in relation to what happened when you went over to OD Transport.

Mr RUSHTON: In a competitive situation, market forces are at work. At the time to which the member for Stirling refers, a franchise service and an agreed freight rate operated. Since then competition has been introduced and this has had a downward influence on prices in quite a few centres.

Mr McIVER: I shall refer to the situation in respect of wool once again, because the Minister does not understand it. When a farmer carts his own wool to Fremantle, he will not return with an empty truck and I do not blame him for that. Were I a farmer in a similar situation, I would do the same thing.

Mr Sibson: We have overcome the problem. He is allowed to do it now and that is good.

Mr McIVER: Farmers will backload with super, fuel, and other goods. Thus the tonnages of superphosphate carried by Westrail each year will be reduced, resulting in a larger deficit not only in relation to the carriage of superphosphate, but also in respect of wool.

In an area without a rail service, where previously Westrail collected consignments of wool, it will now be up to the farmer either to cart the wool himself or employ someone else to do it and, therefore, there will be an increase in freight rates for that service. Primary producers in the Mt. Marshall area use rail extensively to cart wool and they will be affected greatly by this measure. Difficulties will be experienced at unattended sidings and farmers will have to carry the ultimate financial burden.

When the Minister, the assistant commissioner, and Mr Dyson were in Narrogin they did not know that this provision, as it relates to wool and timber, would be included in the joint venture proposal. It was only as a result of questions asked by the Secretary of the Railway Officers Union that the people at the meeting were able to understand the true position. I do not say that unkindly, because, bearing in mind the number of

provisions in the Bill, it is clearly difficult to have a detailed knowledge of all of them.

I ask members: Who will cart poisonous traffic? Difficulties were experienced in that area as a result of the closure of the Meekatharra-Mullewa line. If the member for Murchison-Eyre were in the Chamber, he would concur with my comments in this regard.

Government members have rushed into the acceptance of this legislation believing that it will reduce costs to the people of Western Australia when, in fact, costs will escalate. When a similar proposal was placed before Vicrail in Victoria, it would not have a bar of it.

Mr Sibson: Look where they are now. They have the worst transport system in the world!

Mr McIVER: Irrespective of the party in power, the Victorian railways have always provided a good service. I tried to persuade the member for Bunbury to look at the Bill in greater detail, because it will affect his electorate greatly. However, he has not chosen to follow my advice and he does not know how the legislation will affect the people of Bunbury.

Mr Rushton: They will get a great deal of advantage by way of freight rates.

Mr McIVER: Freight rates will increase and the reduction of staff numbers in the Bunbury area will affect the economy there. Regardless of whether a person is transferred to another job, when a family leaves an area, the economy of it is affected adversely.

Mr Sibson: How many families do you think will leave Bunbury?

Mr McIVER: I refer members to the wording of clause 2, proposed new section 8B (4). I ask the Minister: Does that mean in certain circumstances the people of Western Australia will have to pay back to Mayne Nickless Ltd. the moneys it has invested in the joint venture? That is the way in which I interpret the provision and the figure involved would be approximately \$2.5 million. Earlier in the debate I referred to the fact that Mr McBain was brought over here to assist the setting up of the joint venture, but that he resigned before the provisions were implemented, which indicates there is something wrong with the proposal.

The CHAIRMAN: Order! Before the Minister replies, I wish to relate to the Chamber and, in particular, to the member for Avon, the fact that, initially, he spoke to clause 2 and subsequently he spoke to the amendment for the prescribed 10 minutes. The member for Avon again spoke to the clause when the amendment was defeated and he

has since spoken for a further 10 minutes in accordance with Standing Orders.

It has been the practice of the Committee, based on debate which took place on 28 November 1978 and on 28 August 1979, that where a member speaks to an amendment, he will have the opportunity to speak on three other occasions during the Committee debate. The member may wish then to speak to other amendments.

While the member for Avon was speaking I read the *Hansards* relating to this matter. No fault can be placed on the member for Avon; rather was it an omission by the Chairman. I trust the member has had adequate time to express himself. It has been my intention to establish the record for future debate.

Mr RUSHTON: Thank you for that explanation, Mr Chairman.

First I will refer to the points to which the member for Avon gave the greater emphasis. The joint venture will be a limited liability company, and that fact answers his query in regard to whether Westrail or the Government will have a liability for any deficit created by the corporation.

On the question of wool and how it will be handled, I have said already that farmers will be exempt from the regulations and therefore be able to cart their own wool. It is the responsibility of Westrail and transporters generally to win farmers' freight if they can, whether it be by offering a particular service or attractive rates. This is what business is all about, and I would not think too many people would disagree.

The member mentioned unattended sidings and the difficulties associated with the handling of wool. At present that occurs, and obviously Westrail has considered and will consider improving its service. It will do more and more about that as time goes on. The wool other than that carted by a farmer still will be directed to the rail. Obviously Westrail must work with local carriers and farmers so that the wool can be transported to the rail. That situation will be covered.

A Victorian Liberal Government started way back in about 1972 to introduce deregulation in its railway system. It did so in a rather stop-go way, and it was not until fairly late in the piece that actual deregulation was introduced. The recent Liberal Government in Victoria was moving fairly quickly towards deregulation when it was defeated. So, the Victorian Railways has gone a long way towards deregulation. Depots were established in Victoria, but they failed.

The member referred to a person who obtained knowledge of certain things from the railways union at Narrogin. I want to highlight this matter because it indicates what happens when Westrail consults the unions covering its employees, and consults them to such a degree that the unions are conferred with when decisions are made. From the beginning of consideration of this venture the unions were conferred with, and that continued until this time.

This matter has been reported in the Press, and I was made aware of it at Narrogin. One of the union representatives had been consulted. After being given all the information he sat in the front seat and brought forward a piece of paper and then put forward a totally different interpretation to that which had been indicated to him in the consultations with Westrail. These sorts of things cannot go on. In fact, I think Westrail has indicated to Mr Hanley that if these sorts of things continue the union will lose its opportunity for representation and consultation. I am to receive a letter stating what the person at Narrogin said, and I believe that will indicate the opposite to that mentioned by the member. What sort of a business can be run on the basis that when the management takes its employees into its confidence, the employees go out and tell the opposing trader what is being done by their employer so that the employer can be beaten? It is crazy and should not continue.

The consultation which has existed has been encouraged by me to its fullest degree, but in regard to the consultation by Westrail with the union, that consultation was abused.

The member for Avon was otherwise engaged when I answered in regard to the liability of the joint venture. It will be a limited liability company, and Westrail or the Government will not be answerable for a deficit if it should be incurred.

Mr COWAN: I believe this clause relates to the facilities to establish the joint venture operations, but it seems most of the discussion has been based around deregulation or regulation. I stand by the policy of my party that we prefer Westrail to establish something such as "Westfreight", and if I am permitted to do so I will make further points relating to the joint venture.

There is no question but that the joint venture, a proposition such as "Wesfreight", or the status quo without regulation, would not be able to compete with road hauliers in the transportation of goods referred to as bulks. That is purely and simply because private road transport does not have to take into account the capital cost of roads

on which it operates. Unfortunately, Westrail must take into account the capital cost of railways.

Mr McIver: Plus the constraints placed on them.

Mr COWAN: Of course, the fact that Westrail must take into account these things makes it extremely difficult for Westrail to offer competitive prices. Until road transport operators are in a position to meet the capital cost of roads, and have that cost built into their freight charges, we will not see the two transport modes on equal footing for the purposes of competition. There is no question but that Westrail has built into its freight charges a capital component necessary for the construction of track or the purchase of rolling stock. Road hauliers do not have to include a component for the construction of roads.

Road hauliers must include maintenance costs; and through the State fuel levy and, the Commonwealth taxation on petroleum products, they pay a certain amount towards the construction of roads. However, they do not have to include in their charges a straightout capital component for the construction of roads, only a component for the purchase of the trucks they use.

It would not matter whether it were "Westfreight", the joint venture, or Westrail itself transporting these goods; while we have the present capital costs situation we always will find it necessary to regulate the transportation of commodities so attractive to large road haulage companies and the small country carriers.

The Minister defined wool as a bulk freight. Next time we complete our shearing and have the clip to load, I will invite him to come to Naremburn to assist with the loading of that so-called bulk freight. I am quite certain that he would change his mind after the first hour. He definitely would stop working after the first hour. It is certainly not a bulk commodity. If the Government is to regard it as bulk freight the definition of the word "bulk" should be examined.

This clause relates to whether or not we will adopt the Government policy to have a joint venture; whether or not we will preserve Westrail as it stands; and whether or not we should have opted for "Westfreight".

As the debate has moved into the area of deregulation I remind the Minister that there always will be some form of regulation while the road transporters are not forced to include capital costs as well as maintenance of roads. At the present time they have an advantage because "Westfreight" must make allowance for this in its capital costs.

**Mr BRIAN BURKE:** I take this opportunity to challenge the Minister on the many mistakes he has made, particularly those throw-away lines he is so fond of using that seem to indicate that members on this side of the House and members on the National Party benches do not know the matter about which they are speaking.

The clause we are now considering really contains the kernel of this whole measure. I would indicate that the Minister has been guilty of misleading the Chamber in respect of the matter being debated. Some time ago I had reason to ask the Minister, in respect of the Kojonup-Boyup Brook railway line, whether the proposal to close the line had been considered by the Commissioner for Railways, the Commissioner of Transport, and the land freight transport steering committee. The Minister said that it had been and that they all recommended in favour of the closure.

By way of interjection I asked whether they both supported the closure. The Minister said that both the Commissioner for Railways and the Commissioner of Transport supported the closure; he said, "We are acting on their recommendations."

I am sure members would expect that we would accept the Minister's word in that matter, especially as it was the subject of a Press release issued a month or two ago.

For the benefit of members in this House I would like to quote part of a letter from the Commissioner for Railways to the Minister. This is what Mr McCullough had to say—and remember the Minister has said that the Commissioner for Railways said he recommended the closure—

Our examination has indicated that seasonal operation of the Kojonup-Katanning section with permanent closure of the Kojonup-Boyup Brook section could offer benefits to Westrail and the State if the line was operated on this basis for about the next 5 to 7 years—the remaining life of the rail and the light line locomotives used in the area.

With the retention of the Kojonup-Katanning section—open on a seasonal basis for clearance of grain and handling of superphosphate for a period of about 16 weeks each year—traffic totalling roundly 30 000 tonnes per annum would be retained on rail while the remaining life of the assets was worked out.

As the Land Freight Transport Steering Committee has not had the opportunity to consider the Transport Commission's report

and in view of the above, it would seem appropriate that any submission to Cabinet should be deferred until after the next meeting of the Steering Committee.

The land freight transport steering committee has not had the opportunity to consider that report and in view of this any decision to Cabinet should be deferred until after the next meeting of the steering committee. I do not understand what this is all about.

**Mr Stephens:** On what date was the letter written?

**Mr Rushton:** I have not seen a letter written by the Commissioner for Railways on that type of paper before.

**Mr BRIAN BURKE:** I am prepared to give the Minister a copy.

**Mr Rushton:** You are distorting the truth.

**Mr BRIAN BURKE:** The truth is here for the Minister to see. I say to the Minister and to members that the Minister clearly was asked whether the matter had been considered by those bodies and he said, "Yes". He was then asked whether they recommended closure and he said, "Yes". The letter from the Commissioner for Railways suggests that the matter had not been considered.

**Mr Rushton:** Table the letter.

**Mr BRIAN BURKE:** I would be happy to give a copy to the Minister and to all members.

**Mr Rushton:** Send it over.

**Mr BRIAN BURKE:** The point is—and I will go back as many times as is necessary to put it clearly to the Minister—that the Minister said the matter had been considered by these bodies and they had recommended closure. Now, the Commissioner for Railways says in his letter that, firstly, for five to seven years the line should remain open on a seasonal basis, and, secondly, the matter should be deferred pending consideration by all the bodies that the Minister claims have considered it.

**Mr RUSHTON:** The member for Merredin mentioned that road transporters do not have to take capital costs into consideration. Since I have been Minister for Transport I have had both railway and road advisers give attention to this issue and to come forward with recommendations relating to the adjustment that would need to be made to make it reasonably fair. This has been done and they came forward with a figure, and adjustments have been made. It is my opinion that we could never get total satisfaction because the railways have the opinion that they have to carry a bigger burden because of the capital costs.

I am aware that studies have been carried out in South Africa, England, and Canada and there is always contention as to whether there is any equity. When we do act upon the recommendations I believe there will still be some disagreement. There have been arguments on this issue for as long as I can remember. The ARRDO is attending to this matter at the present time in order to obtain some equitable figure. Does the member for Merredin believe that road transporters should pay heavier costs in this regard?

Mr Cowan: No, I do not. I am saying you should make some adjustment to the Westrail system.

Mr RUSHTON: That has been done from time to time. Write-offs have been made.

Mr Cowan: Isn't this what this Bill is all about—trying to reduce that particular write-off.

Mr RUSHTON: It is trying to introduce a competitive system.

Mr Cowan: It is to reduce the deficit by \$7 million.

Mr RUSHTON: That is only part of it. The member needs to know that railways run at their very best when they have large tonnages to carry over long distances. We know that by world standards it is not so in WA, so we walk the tight-rope in regard to how we can deregulate bulks.

The other point relating to wool was that the member for Merredin considered it was not bulk. I am suggesting that transporters identify bulk as tonnage and they do not consider the actual item.

The Leader of the Opposition came into the discussion with the usual statement that the Minister is misleading the Chamber. He quoted from a scrap of paper and refused to show me the letter that he claimed to have.

Mr Brian Burke: Who has refused?

Mr RUSHTON: What the Leader of the Opposition has, of course, is an extract only from numerous letters and reports, and he is implying that it is a final commitment or decision. He is picking only pieces out of the whole exercise. Once again he has been seen to be the receiver of papers extracted from systems.

Mr Brian Burke: You are better when you adjourn the Chamber!

Mr RUSHTON: This is another report that has dropped off the back of a truck! It indicates very clearly that the Leader of the Opposition is just a big bag of wind.

Mr Brian Burke: I like your substantial rebuttal!

Mr RUSHTON: Remarks such as this are misleading from a person who always seems to be the receiver of goods that drop from the back of a truck! In fact, someone at Mayne Nickless Ltd. is still looking for his satchel and personal goods from the time that the report disappeared.

Mr Bertram: You are confusing him with the Prime Minister.

Mr RUSHTON: The staff at Westrail keep an open door to union representatives, and this has led to a very good relationship.

Quite often matters can be taken out of context, and frequently the Opposition picks up the wrong piece of an argument. It then looks very foolish when it tries to do a "Perry Mason" and says that Government members are guilty of this, that, or the other thing. The guilty person is the one who is a constant receiver of documents and papers. Unfortunately, actions of this type have even led to people being dismissed because they have acted improperly. I have answered him in this regard—

Mr Brian Burke: You haven't answered in substance at all.

Mr RUSHTON: If the Leader of the Opposition is referring to the steering committee which meets with me from time to time, that steering committee has also recommended that we proceed with the joint venture.

Mr Brian Burke: And the Commissioner for Railways recommended the closure too, did he?

Clause put and a division taken with the following result—

#### Ayes 21

Mr Clarko	Mr Mensaros
Mr Court	Mr O'Connor
Mr Coyne	Mr Rushton
Mrs Craig	Mr Shalders
Mr Crane	Mr Sibson
Dr Dadour	Mr Sodeman
Mr Grayden	Mr Trethowan
Mr Grewar	Mr Watt
Mr Hassell	Mr Young
Mr Herzfeld	Mr Nanovich
Mr Laurance	

(Teller)

#### Noes 18

Mr Bertram	Mr Hodge
Mr Bryce	Mr Jamieson
Mr Brian Burke	Mr McIver
Mr Carr	Mr Parker
Mr Cowan	Mr Pearce
Mr Davies	Mr Stephens
Mr Grill	Mr I. F. Taylor
Mr Harman	Mr Tonkin
Mr Gordon Hill	Mr Bateman

(Teller)

## Pairs

Ayes	Noes
Mr MacKinnon	Mr Terry Burke
Mr P. V. Jones	Mr A. D. Taylor
Mr Old	Mr Barnett
Mr Spriggs	Mr Wilson
Mr Williams	Mr Bridge
Mr Tubby	Mr Evans

Clause thus passed.

Clause 3: Section 54AA inserted—

Mr COWAN: I would like to indicate very briefly to the Chamber that this clause is the one which allows the joint venture to extend credit. As I and my colleague have said before, we believe Westrail should be an autonomous body, and if it is to exercise autonomy, it should have the right to extend credit facilities where necessary.

Clause put and passed.

Clause 4 put and passed.

Title put and passed.

*Report*

Bill reported, without amendment, and the report adopted.

*Third Reading*

Leave granted to proceed forthwith to the third reading.

MR RUSHTON (Dale—Minister for Transport) [3.07 p.m.]: I move—

That the Bill be now read a third time.

MR McIVER (Avon) [3.08 p.m.]: I do not wish to traverse the whole matter again, but I would like to make some final points in an endeavour to draw to the attention of Government members the fact that this legislation will place a great impost on country people.

Mr Sibson: Country people have been asking for a freeing up of transport regulations for about 25 years.

Mr McIVER: Once again I am amazed about the continual interjections of the member for Bunbury on this point. It strengthens my argument that Government members have not taken the time to examine the legislation thoroughly. They have voted on something without realising how much extra cash it will cost people living in country areas. Also, they do not realise the way in which the employees of Westrail will suffer when this legislation is introduced. Some of these employees have worked conscientiously for long periods—even up to 30 years in some cases.

Mr Sibson: None of them is to be retrenched.

Mr McIVER: I did not say they would be.

Mr Sibson: Well, what harm will they suffer?

Mr McIVER: It is rather frustrating to have these interjections from a member who has not even bothered to study the Bill.

Mr Sibson: That is totally untrue. I have studied the Bill closely.

Mr McIVER: I did not say that Westrail employees would be retrenched. I did refer to the deal that they would receive.

Mr Sibson: Tell us the hardships they will face. You have not told us that.

Mr McIVER: If the member for Bunbury has a little bit of patience, he will hear.

Mr Sibson: Because of the fact that they will have more pay to carry home each week.

Mr McIVER: He sounds like the *Australind* express, rattling himself to pieces over there.

Mr Sibson: The best service in the State.

Mr McIVER: When a man has given conscientious service for 30 years and he is given the alternative of working in a gang doing manual labour—

Mr Sibson: Are you denigrating those men?

Mr McIVER:—after years of service, that is a hard thing to be asked to do. I would like to take some members opposite out there. They would not last eight hours in some of the gangs, working in the weather conditions in which they must work.

Mr Sibson: Are you denigrating those people?

Mr McIVER: That is the alternative that has been given to them.

During my speech on the second reading, I went to great pains in relation to the costs that the Government will impose, particularly on country people. I cannot emphasise that enough. This is not just a case of dollars and cents. It is not a case of the Government's saying, "We are going to earn this much, and we are going to save that much." The Government cannot do that with a system such as the one we operate, in the way we operate it. The member for Merredin touched on the costs.

Another point is that if the railways show any kind of profit, what will happen to the Commonwealth subsidy? Would the railways continue to receive the Commonwealth subsidy? Of course they would not. Not one railway in the world shows a profit in relation to freight traffic.

Mr Rushton: Britain does.

Mr McIVER: Of course, Westrail will always show a loss because of the interest rate to which it is subject under the Commonwealth-State relationships.

In replying in the Committee stage, the Minister said that the Government is endeavouring to assist Westrail; but I know well that a bus company is already pressuring the Minister for Transport to use Westrail's facilities—the main terminal—as the base for passengers of the bus company. That would erode further the bus passenger traffic of Westrail.

Mr Rushton: The PIA is pressing me to release the rest of the wool, too; but that goes, anyway.

Mr McIVER: I understand also that Greyhound Australia Pty. Ltd. is giving the Minister some trouble, wanting to use the facilities. It already has been allowed to use the facilities in various parts of the State. If I had any say in it, that would not be allowed. We know who is behind it. Unfortunately, that is politics. I will not enter into that, because I am speaking today about the joint venture.

In 12 months' time, Government members will feel guilty. The effects of this legislation will not be felt for 12 months. To prove my point—and I have done a bit of research on this—I indicate that prior to 1969 the cane from the cane fields at Elaroo in Queensland was carried to Proserpine on the Queensland Government Railways. That was most unprofitable, because the railways could not deliver the consignments to the mill at the required times. I want members to keep in mind the fact that the railways could not deliver the consignments at the required time. In the end, road transport with big semitrailers was engaged; and the charge for cartage was \$1.25 per tonne. That was an economical proposition for the cane growers and for the sugar mill concerned.

When the world oil prices rose, the costs increased dramatically. The road transport costs escalated with overheads such as the cost of fuel, the cost of tyres and parts, etc. That meant that the cost of road transport increased to \$5 per tonne. Therefore, those responsible for the cane said, "Back to rail." Of course, things had altered dramatically since 1969. When they returned to rail, the modern diesel locomotives had the capacity to haul greater tonnages; and they were able to cart the cane at 75c per tonne, with one diesel pulling 150 4-tonne bins, when the semitrailers could handle four only. There is a lesson to be learned here.

Mr Sibson: That is the spirit of this legislation.

Mr McIVER: This legislation is sugar-coated, and the Government grabbed it like a trout grabs a trout fisherman's fly. The Government thought the legislation would lead to a reduction in the deficit, and it did not bother to ask further questions about the mythical \$7 million figure.

Mr Grewar: You would not call that small, would you? You would not call a cargo of cane small?

Mr McIVER: No, but I am just using it as an example. The point I was making was the fact that it was delivered on time. Does the member for Roe think honestly that the transport industry will provide the service that he is receiving from Westrail in isolated places, and deliver the goods on time?

Mr Grewar: Yes.

Mr McIVER: In that case, he is very naive. No wonder he has decided to leave this place. The road transport operators will deliver the goods when they have a load—when they have a waggon load or a semitrailer load to go into a particular region. That is when they will deliver the goods.

Irrespective of what we say in this Parliament, the seven-man board, with the casting vote of the chairman, is making decisions already. They will be able to repudiate anything that is said here. That is why I was hoping that the amendment I moved in the Committee stage would be carried.

Mr Sibson: You obviously have never been in the trucking business, with the opposition breathing down your neck.

Mr Carr: Here is the used truck dealer.

Mr McIVER: I have spoken in this House on many occasions—to highlight the ignorance of the member for Bunbury—pointing out the difficulties of the trucking industry. I still receive correspondence from many owner-drivers in Western Australia. When they wanted a deputation led, they came to me for support, particularly in the concrete strike. They did that because they said that I had such a sound knowledge of the industry.

The continual childish interjections are typical of the cavalier attitude of members on the other side of the House such as the member for Bunbury, whose district will be affected by this proposal. I should not be saying this, because it will make it so much easier for us in that marginal area at the next election. The member for Bunbury will hear what I say now and what happens will reflect on him politically in every way.

I mentioned the poison traffic, and the difficulty of having consignments of poison sent into the Murchison area since the closure of the Meekatharra-Mullewa railway.

The member for Warren highlighted the increase in costs that will be incurred by the people involved in the fruit industry. People in the forest industry also will be affected. I concede



that Westrail has had to carry this burden of carting these plants and so on.

Mr Sibson: For a long time Westrail has indicated that it wanted out of that traffic.

Mr McIVER: We also must consider the number of people who are employed directly and indirectly by Westrail. We cannot allow these people to lose their jobs. This is where the magnitude of the trouble this legislation will create becomes apparent.

The Government has introduced this measure at the whim of the Western Australian Road Transport Association following its submission to the SWATS committee of inquiry. Just because the former Commissioner of Transport (Mr Pascoe) has retired does not mean to say he has forgotten all about transport. He even has been on television and emphasised that this joint venture proposition is a retrograde step. The Government has not fooled him with its reasons for introducing this measure.

Mr Rushton: He has told me differently. He said his comments had been taken out of context.

Mr McIVER: Many things are taken out of context; it seems to depend on who is speaking at the time. Mr Jim Pascoe came up through the ranks, from a junior officer right through to commissioner. It is a pity that some of the people being engaged by the Government do not have similar backgrounds. The Government is to employ an ex-Army major, and academics right from school, with their great theories that will cost thousands of dollars.

The Government should be appointing people from the industry and not worrying about getting rid of porters from Wongan Hills or Wyalkatchem, who are paid only a pittance. Instead, the Government is increasing the number of people in this ivory tower, which is so top heavy it will fall over. The Government is taking away services from isolated areas. Of course the Government has to carry the cost, but there are many ways it can offset that problem with proper planning.

The member for Merredin and the member for Stirling suggested the adoption of the "Westfreight" concept. Westrail officers will provide the expertise for this joint venture, and not the reverse. Their guidance and expertise will be used to try to make this joint venture work.

I already have indicated that the top man, to whom the Government was looking to provide expertise, has resigned. He got out very quickly because he saw what would happen with this joint venture proposition.

Mr Sibson: Do you believe we should not have academics in this place, because you said they are no good in the railway system?

Mr McIVER: The member for Bunbury's interjections are becoming weaker and weaker; they are very much like this legislation.

I have utilised the third reading stage to try to get my message across to Government members. Although members opposite have a responsibility to support Government legislation, this Bill will have a long-term effect to the detriment of our railways. When visiting rural areas at election time it will be a pleasure to make it well known that when this legislation was before the House no opposition to it came from the Government side and that all we got were stupid comments such as those coming from the member for Bunbury, who does not know what is involved or what will transpire.

I appeal to Government members to forget the word "smalls". No Government member has explained how the 400 000 tonnes of smalls being carted by Westrail vehicles to various country regions is to be carried in the future. This has not been explained in the legislation or in the Minister's second reading speech. As for the parts of the Bill which speak about the creation of employment opportunities in regional centres, they can be treated only as words placed in the Bill to fill it out. This legislation will not provide any job opportunities at all, and I explained the reasons for this. The legislation will force families to leave country areas, which will mean shopkeepers and so on eventually will have to close their businesses.

However, the introduction of this Bill has been the Government's decision and it is quite evident I will not be able to change it's mind. It is futile for me to continue my opposition to this Bill, because it is a Government Bill for which members opposite will be compelled to vote.

Finally, I say to those members opposite who represent country areas that they should be thoroughly ashamed of themselves for being misled by a lot of words they do not understand and have not bothered to understand. They have been prepared to be guided by one another. When the crunch comes after the implementation of the Bill, and freight costs increase and chaos eventuates, I trust members will cast their memories back to this day when I spoke to the third reading of the Bill.

On behalf of the Opposition I indicate our strong opposition to this measure. We have never been happy with it and nothing has transpired or

been heard from Government members to change our minds. We oppose the Bill in its entirety.

**MR COWAN (Merredin)** [3.29 p.m.]: It must be apparent to the House that the National Party would prefer the introduction of the "Westfreight" concept. We do not accept that a joint venture is the only alternative left to the Government to implement in its efforts to reduce Westrail's deficit. However, if it is the Government's decision to implement the joint venture, we believe it should be allowed to go ahead and suffer the consequences.

**Mr I. F. Taylor:** It won't be the Government that will suffer.

**Mr COWAN:** The majority of members representing rural constituencies are found on this side of the House, so losing seats means the Government will suffer. Of course, the people who will pay the higher freight rates will suffer, but because of this the Government also will suffer.

The concept has been tied in with deregulation. This Government will never be able to fully deregulate the transport system whilst it is not applying a capital charge against road transport as it does with rail transport. Until there can be some balance made there will never be complete deregulation because the rail system will need to be protected.

If the Minister believes that the rail system can transport bulk freight competitively with road, all he has to do to see the truth of the situation is to examine those areas where a choice of transport modes is given to people. He can ask CBH how much grain was delivered last season by road as opposed to the volume of grain that was delivered in seasons prior to that. He knows that the volume of grain that has been transported by road in farmers' own vehicles has increased because Westrail's freight charges for grain have built into them a capital cost whereas road charges do not. Until we address ourselves to this problem, there will never be complete deregulation.

There has also been comment that this Bill is designed to reduce Westrail's deficit. If that deficit of \$7 million is to be recovered, that is fine, but nobody has stated that it will be achieved by ways within the system. All we are doing is transferring an account from the taxpayers to the consumers who, of course, are one and the same. Whilst we are bandying around with legislation in this place we are, in fact, not achieving anything at all, except perhaps higher charges for country people who already have to suffer the difficulty of paying freight for consumer goods to the country and also to send

produce from the country areas. Their direct costs will increase. As a representative of the rural constituency, I do not know whether I can totally support that. There will not be enough freedom granted to carriers who operate within rural towns to be able to allow them to offer employment opportunities to those people, or to an equivalent number of people, whose jobs have been made redundant through the job losses that will occur when the joint venture takes place.

I have no doubt that they will not have the freedom to operate or be as competitive as the Minister claims, and I do not see their being in a position to expand their businesses to any great degree. I want to think that they could, because in many instances local carriers, particularly those who build up a business around the transport of livestock—and, believe it or not, second-hand furniture is the only other item that can be transported without a permit—have found it very difficult to survive within the law and have had to violate the existing permit system in order to maintain a reasonable living. I do not think the people in this system will be any better off.

It is the Government's wish to introduce the joint venture. It is certainly against the policies of the National Party to have such a joint venture. We believe in "Westfreight", and that the Government should be given an opportunity to prove its prediction is right and our prediction is wrong, so we are not going to oppose the third reading. We have made our position very clear. If there are any repercussions from this joint venture, we will lay the blame precisely where it should be placed, just as, if it is successful, we will be the first to concede its success.

**MR JAMIESON (Welshpool)** [3.35 p.m.]: I will make a few brief remarks on this matter. If social justice is to prevail in a community such as ours in Western Australia, a form of socialistic type enterprises must be the way it prevails in regard to transportation.

While the member who has just resumed his seat was, in effect, saying that and was hoping perhaps that the joint venture will prove to be less unsuccessful than he thinks it might be, he did favour what was known as "Westfreight" which was the alternative that we think should have been further examined and, indeed, cultivated by the Government. We will reach the situation where the proposed system will further centralise population and activities because of the disadvantages that country people suffer and this must be aggravated if these organisations are given the opportunity to turn a vast loss on transportation into a healthy profit.

There have been no great demands for this. The Minister keeps saying people are always at him to cut down the losses of Westrail, or perhaps some economists or activists in the freight-carrying industry are always pushing in a barb and saying, "Look how much you are losing while we are making a profit." They are not having due regard for the other interests which the Government must examine, such as the requirements of freight to decentralised areas. Those sorts of things must be taken into account by people advocating a system such as this. This seems to prevail upon the minds of Government members rather than a form of social justice that ought to favour the citizens of Western Australia.

While the country people, in the main, do not support the Australian Labor Party line on politics, we see the rural area as a vital part of this State and one which must be looked after by some form of transport system that cannot be run by private enterprise.

The Government has made its decision at its own peril. Once it has created this monster it will find it hard to get away from it and return to another system.

It is for those reasons that we persist with our opposition to the proposal of the joint venture and oppose this legislation at its third reading.

**MR RUSHTON** (Dale—Minister for Transport) [3.40 p.m.]: The member for Welshpool talked about centralisation. If local carriers are successful—as we hope they will be—they have a good opportunity to do just the opposite to that which the member for Welshpool contemplates. So, it will not be a matter of centralisation of operations. These people should have the loyalty of the local people. We must expect this sort of argument from the member for Welshpool, with his political leanings. However, he tends to take a broader view of matters than do most of his colleagues. I acknowledge the points he made, and I think he also acknowledges we are doing what we think is right.

**Mr Jamieson**: I hope you are not trying to water down my socialistic tendencies. I would hate that ever to happen.

**Mr RUSHTON**: The member for Welshpool has moved quite a bit from the position he occupied at the beginning of his parliamentary career; he is at about the middle, now.

**Mr Jamieson**: I doubt that; I always like to go to the left.

**Mr Young**: It is a terrible thing when you are looked upon as central-right.

**Mr Jamieson**: I must be slipping!

**Mr RUSHTON**: Time will tell how these matters work out; we feel the member for Welshpool will be found to be wrong.

The member for Merredin said that the Government should be entitled to carry out its policy, and take the consequences. I would ask the honourable member to be fair when making an evaluation of the results of the joint venture operation and not to consider just one item, but to take into consideration what has happened generally. For example, the freight on grandma's hat or a couple of pounds of sugar might have increased, but the cost of moving many other commodities might have decreased; I hope he takes that into consideration.

**Mr Stephens**: The member for Merredin has been called away at this stage. However, I assure you he spoke for the National Party. We are always fair in our judgments and assessments; have no fear.

**Mr RUSHTON**: The member for Merredin also made a point about our reducing the deficit. He should be aware that the deficit has been considerably reduced from the level which would have applied had we not taken certain action. In addition, when we compare the deficit situation in Western Australia with that applying in other States, particularly New South Wales, we find that our position is quite advantageous. This fact should be considered when people make comparisons, or criticise our railway system which is very efficient when measured against other systems in Australia. In fact, people from overseas say that our system stands up well to the railway system in most other countries.

**Mr Stephens**: With more efficient administration, I feel sure they could have handled the "Westfreight" concept.

**Mr RUSHTON**: Apparently, the member for Stirling was not listening to the points of view I put in relation to that matter. I just hope that when he goes to sleep tonight, he reflects on the points I made, and sees the common sense of what we are doing.

**Mr Stephens**: I make my reflections when wide awake in this House.

**Mr RUSHTON**: I turn now to the remarks of the member for Avon who claimed that country people would be the ones objecting to this legislation. I have pointed out that the country people have been thoroughly consulted on the matter through the SWATS examination, through introduction of policy, and through the programme of implementation of that policy. We know of the requests we have received relating to the policy of deregulation. I still maintain the

Opposition is flying in the face not only of the SWATS report and public opinion, but also—surprisingly—of Westrail itself. The Government is implementing the request of Westrail, and it is quite incredible that the Opposition should be objecting to what we are proposing.

I do not mean to be unkind when I make the further point that I believe the Opposition is bowing to pressure from the union. The arms of members of the Opposition are being twisted by the union. They are fearful of losing their endorsement if they do not do as they are told.

Mr Bryce: Are you suggesting that private companies do not twist your arms to get you to do things for them?

Mr RUSHTON: They do not twist my arm.

Mr Tonkin: You are in their pocket; you know that. You do as you are told.

Mr Bryce: You would not be able to afford an election campaign if you did not do as you were told.

Mr Tonkin: You know where your funds come from.

Mr RUSHTON: The Opposition has been seen to fail in its consideration of this very vital legislation.

Mr Bryce: This legislation ought to be worth a donation of \$150 000.

Mr O'Connor: What we have done for this State ought to be worth a lot more.

Mr RUSHTON: If we might return to the matter before the Chair, the Opposition claims to support competition in the field of transport; however, it does not support total competition. I gathered during the debate that some members opposite oppose deregulation, while others support it. Some support greater freedom for Westrail, and some oppose it. So, members opposite are not clear on what we should do with our railway system. The Opposition firmly opposes the suggestion that farmers be allowed to carry their own wool, mohair, and chaff. These matters will be well understood at election time.

However, that is not what we should be considering at this time; we should be doing what is best for our transport system.

The Leader of the Opposition stated quite clearly that if in the future the Opposition is successful at the polls, it would take steps to abandon the joint venture. That decision would be made at a time when smalls had been deregulated. The Opposition's decision would be ruinous to Westrail; its asset value would be

destroyed and employment opportunities would be lost.

The point on which I conclude is this: I have been informed by the railwaymen with whom I mix that they are anxious to be considered as first-class transporters. Members opposite who know about our railway system would realise that in many country towns these people are not considered to be the equal of others. They agree that, by the steps the Government is taking, they will be seen to be as efficient and productive as anybody else. They will assume their rightful role as first-class transporters in the community.

This Government has been very supportive of Westrail, and this measure was introduced at the request of Westrail. We will be seen to be taking an historic step by passing this legislation and implementing a very important segment of the transport policies of this Government.

Mr Bryce: Your political epitaph will be, "The man who ruined the railway system."

Question put and a division taken with the following result—

## Ayes 23

Mr Blaikie	Mr Mensaros
Mr Clarko	Mr O'Connor
Mr Court	Mr Rushton
Mr Cowan	Mr Shalders
Mr Coyne	Mr Sibson
Mrs Craig	Mr Sodeman
Mr Crane	Mr Stephens
Mr Grayden	Mr Trethowan
Mr Grewar	Mr Watt
Mr Hassell	Mr Young
Mr Herzfeld	Mr Nanovich
Mr Laurance	

(Teller)

## Noes 15

Mr Bertram	Mr Jamieson
Mr Bryce	Mr McIver
Mr Brian Burke	Mr Parker
Mr Carr	Mr Pearce
Mr Davies	Mr I. F. Taylor
Mr Grill	Mr Tonkin
Mr Gordon Hill	Mr Bateman
Mr Hodge	

(Teller)

## Pairs

Ayes	Noes
Mr MacKinnon	Mr Terry Burke
Mr P. V. Jones	Mr A. D. Taylor
Mr Old	Mr Barnett
Mr Spriggs	Mr Wilson
Mr Tubby	Mr Evans
Mr Williams	Mr Bridge
Dr Dadour	Mr T. H. Jones

Question thus passed.

Bill read a third time and transmitted to the Council.

# WESTERN AUSTRALIAN MEAT INDUSTRY AUTHORITY AMENDMENT BILL

## *Message: Appropriations*

Message from the Governor received and read recommending appropriations for the purposes of the Bill.

## **BILLS (6): RETURNED**

1. Public Service Amendment Bill.
2. Supreme Court Amendment Bill.
3. Potato Growing Industry Trust Fund Amendment Bill.
4. Seeds Amendment Bill.
5. Motor Vehicle Dealers Amendment Bill.
6. Acts Amendment (Judicial Appointments) Bill.

Bills returned from the Council without amendment.

# MACHINERY SAFETY AMENDMENT BILL

## *Receipt and First Reading*

Bill received from the Council; and, on motion by Mr Young (Minister for Health), read a first time.

## *Second Reading*

Leave granted to proceed forthwith to the second reading.

**MR YOUNG** (Scarborough—Minister for Health) [3.55 p.m.]: I move—

That the Bill be now read a second time.

This Bill has been introduced to rectify what is considered to be an unsatisfactory situation in relation to the secrecy provisions in the Machinery Safety Act.

Members may recall that a young man received injuries in an accident at the 1981 Perth Royal Show which resulted in his death. The machinery involved was subject to registration under the principal Act.

In proceedings conducted subsequently by the coroner, it was considered that sections 33 and 34 of the Act precluded the Department of Labour and Industry from making available to the coroner certificates of inspection and design information in respect of the machinery involved in the accident. To assist the coroner those secrecy provisions had to be overcome and by arrangement some documents were eventually supplied to him.

Legal officers drew attention to the unsatisfactory situation and advised that the Act should be amended to allow the coroner and other courts to be provided with information which is relevant in proper circumstances or in an accident case before a court.

The Government has acted on that advice and I commend the Bill to the House.

Debate adjourned, on motion by Mr Brian Burke (Leader of the Opposition).

# ACTS AMENDMENT (MISUSE OF DRUGS) AMENDMENT BILL

## *Second Reading*

Debate resumed from 6 April.

**MR CARR** (Geraldton) [3.57 p.m.]: When I first heard that the Government intended to amend the Acts Amendment (Misuse of Drugs) Act that it had introduced last year, the thought occurred to me that perhaps it was responding to the fairly wide body of public pressure which opposed the legislation then. However, when the Minister for Police and Prisons introduced the Bill, it became evident that it contains a minor amendment only to correct an anomaly that has arisen.

Last year this Parliament passed two separate pieces of legislation which extended the jurisdiction of the District Court. Those pieces of legislation were in conflict with each other, and this Bill does nothing more than correct that situation. The Opposition does not oppose the measure.

**MR HASSELL** (Cottesloe—Minister for Police and Prisons) [3.58 p.m.]: I thank the member for Geraldton and the Opposition for their support of the legislation.

Question put and passed.

Bill read a second time.

## *In Committee, etc.*

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

## *Third Reading*

Leave granted to proceed forthwith to the third reading.

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

## QUESTIONS

Questions were taken at this stage.

## QUESTIONS AND ANSWERS

*Availability to Members:*

*Statement by Speaker*

**THE SPEAKER** (Mr Thompson): The member for Victoria Park has drawn to my attention a deficiency in regard to the discontinuance of the question and answer pamphlet. Members may recall that I made a statement about a week or two ago in respect of changes in the procedure of questions which resulted in a booklet not being produced on two of the three sitting days. The member for Victoria Park drew my attention to the fact that a number of members like to peruse questions and answers in the House and for that reason I have discussed the matter with the Clerk of Records and Papers (Mr Liveris) who has produced the folder that I have in my hand. It will be available on the Table of the House and I ask members not to take it away because other members could be disadvantaged.

*House adjourned at 4.33 p.m.*

## QUESTIONS ON NOTICE

702. *This question was postponed.*

### PORT

#### *Bunbury*

703. Mr T. H. JONES, to the Minister for Transport:

- (1) Is it a fact that \$50 000 has recently been spent on alterations to the Bunbury inner harbour transport system involving a rail spur?
- (2) Is it a fact that a ship will come to Western Australia shortly to load 5 000 cubic metres of timber to leave this State by 4 June, and that the Bunbury port has been by-passed and the loading will now take place at Fremantle?
- (3) Is it also a fact that due to this decision it will cost an extra \$6.00 per cubic metre to transport the timber by road and rail from the south-west to Fremantle?
- (4) Does his department not consider that this policy decision is not in the interest of the south-west region and particularly the port of Bunbury where work for waterside workers is very limited?

- (5) Will he have the matter investigated with a view to having the policy decision changed and the timber to be loaded ex Bunbury?

Mr RUSHTON replied:

- (1) I am advised Westrail completed a rail spur line at the Bunbury inner harbour in February 1982 at a cost of \$32 500.
- (2) and (3) The facts as mentioned by the member appear to be substantially correct. It is understood that in this particular instance the exporters changed the arrangements as a catch up for a UK order which was behind schedule.

This was necessary because of difficulties with the present carriers who have been most irregular in delivery dates.

To assist the importer—British Rail—and to pick up the delivery schedule and consolidate the continuity of the export market it was considered necessary by the exporters to arrange two shipments to be lifted from Fremantle by a more regular service.

- (4) and (5) I am aware of the concern that has been expressed in Bunbury at the temporary loss of the sleeper export trade from the Port of Bunbury.

This matter was discussed with the Bunbury Port Authority and a deputation representing Bunbury waterside workers on my visit to the Port on March 3, 1982.

I believe the waterside workers are aware of the Government's concern over the present situation.

The Government, through the Bunbury Port Authority, has been involved in negotiations with the exporter and has received an undertaking that every effort will be made to use the Port of Bunbury again after the shipments referred to above have been completed.

### TRANSPORT: AIR

#### *North-west*

707. Mr McIVER, to the Minister for Transport:

In view of the fact that Trans Australia Airlines is prepared to spend millions of dollars to upgrade airport facilities in the north-west to accommodate their

DC9 aircraft, would he have immediate discussions with representatives of Trans Australia Airlines in an endeavour to allow that company to increase its operations north of the 26th parallel; if not, will he state his reasons?

Mr RUSHTON replied:

The issue of another major domestic airline operating on intra-State routes has been thoroughly investigated by the Director-General of Transport and the Commissioner of Transport in their review of the Western Australian aviation industry. It would be premature to pass comment on the question prior to the Government deciding which of the review's recommendations it wishes to accept. This it will be doing in this half of the year.

709. *This question was postponed.*

#### WASTE DISPOSAL: LIQUID

##### *Biodegradable*

710. Mr GORDON HILL, to the Minister for Health:

As biodegradable industrial wastes only are to be deposited at the site to replace the Gngara liquid waste disposal site, how and where is it intended that non-biodegradable waste will be disposed of?

Mr YOUNG replied:

Details were contained in the Public Health Department sheet regarding disposal of hazardous waste, which I tabled on 20 April 1982 in reply to part (4) of question 576.

#### WASTE DISPOSAL: LIQUID

##### *Private Company's Proposal*

711. Mr GORDON HILL, to the Minister for Health:

- (1) Is it a fact that a proposal was received several years ago from a private company on the establishment of a liquid waste treatment facility?
- (2) If "Yes"—
  - (a) when was the proposal received;
  - (b) which company presented the proposal;
  - (c) has any action been taken or any policy adopted by the Government on this proposal?

Mr YOUNG replied:

- (1) Yes.
- (2) (a) June, 1977;
- (b) in view of the fact that representations were not acceded to, it would seem inappropriate to name the company;
- (c) the proposal was fully investigated and found to have technical, organisational and financial problems which precluded its adoption.

#### WASTE DISPOSAL: LIQUID

##### *Biodegradable*

712. Mr GORDON HILL, to the Minister for Health:

What controls does the Government intend to have over liquid waste disposal sites to ensure that industrial wastes disposed of are non-hazardous and biodegradable?

Mr YOUNG replied:

The sites will be fenced and provided with full security to prevent dumping after hours. While open, the sites will be manned by an attendant who will meet every tanker, collect certification as to the nature and origin of the waste, and in some cases take check samples for analysis. There will be heavy penalties for breach of the requirements relating to the operation of these sites.

713. *This question was postponed.*

#### AGRICULTURAL CHEMICALS

##### *Legislation: Introduction*

714. Mr EVANS, to the Minister for Agriculture:

Further to question 410 of 9 April 1981 relevant to agricultural chemicals—

- (a) has the Agricultural Chemicals Bill to control the overuse of chemicals which could lead to residue problems in plant and animal products been drafted;
- (b) if "Yes", when will the Bill be introduced into Parliament;
- (c) if "No", when is it expected that the draft measure will be completed?

Mr OLD replied:

- (a) to (c) The Bill to control the misuse of agricultural chemicals is being drafted and, if finalised, will be introduced during the next session of Parliament.

#### HEALTH: TUBERCULOSIS

##### *Pilbara*

715. Mr EVANS, to the Minister for Agriculture:

- (1) How many properties in the Pilbara region are subject to quarantine because of tuberculosis?
- (2) Which stations are these?

Mr OLD replied:

- (1) 3.
- (2) De Grey  
Mt. Edgar  
Warrawagine.

#### LAND: AGRICULTURAL

##### *Release*

716. Mr EVANS, to the Minister for Lands:

Who are the members of the working group on new land releases, and from what department, authority or organisation does each come?

Mr LAURANCE replied:

Mr J. R. McFadden, Assistant Surveyor General, Department of Lands and Surveys—Chairman

Dr A. A. Burbidge, Chief Research Officer, Department of Fisheries and Wildlife

Mr T. C. Stoneman, Principal Research Officer, Department of Agriculture

Mr N. Orr, Senior Environmental Officer, Department of Conservation and the Environment.

As indicated in the answer to question 126 of 1981, the working group on new land releases co-opts members from other departments and authorities for more specialised advice when considered necessary.

#### EDUCATION

##### *Spastic Children*

717. Mr PEARCE, to the Honorary Minister Assisting the Minister for Education:

- (1) Is it a fact that the previous Director-General of Education gave the Spastic

Welfare Association an assurance that their new school in Coolbinia would be ready for occupation at the beginning of third term 1982?

- (2) Is it a fact that the building will not be ready for occupation at that time?
- (3) Have tenders yet been called for this building?
- (4) Have tenders yet been let for this building?
- (5) If not, when is it expected that they will be?
- (6) When is it expected that the building will be completed?
- (7) What is the reason for the delay?

Mr CLARKO replied:

- (1) The probable completion date of the new special school at Coolbinia was given during the preliminary stages of planning and was subject to review. Satisfactory school arrangements have been made with the Spastic Welfare Association for their children prior to completion of the permanent school.
- (2) to (6) Tenders are to be called early in May and once the successful tenderer is selected a completion date can be determined.
- (7) The project escalated in complexity during the planning stages and a longer lead time was needed to satisfy all requirements and provide specialised documentation.

#### HEALTH: NURSES

##### *Accommodation: Rentals*

718. Mr BATEMAN, to the Minister for Health:

- (1) Is financial hardship being experienced by trainee and country nurses who are required to pay \$58 weekly for a room at the former nurses quarters, namely, Jewell House at 180 Goderich Street, East Perth?
- (2) If "Yes", will he provide two floors of accommodation for the nurses?
- (3) Will he provide a subsidy for their living expenses?
- (4) If not, will he give a full explanation why not?

Mr YOUNG replied:

- (1) I am advised that there is no evidence of financial hardship.



Accommodation is available at award rates (currently \$13.30 per week) in the nurses' quarters at Sir Charles Gairdner Hospital for first year Western Australian School of Nursing student nurses whose home is in the country—and also student nurses returning to Perth from country secondment. Accommodation is also provided in these quarters for student nurses and other nurses from Princess Margaret and Sir Charles Gairdner Hospitals.

Accommodation is available in the nurses' quarters at King Edward Memorial Hospital for student and other nurses at award rates.

I am further advised that the YMCA. offers a concessional rate of \$45 per week for nurses who wish to be accommodated in the former Jewell House. This charge includes change of linen and towels and cleaning.

- (2) In view of other accommodation available this question is not applicable.
- (3) No.
- (4) Student and registered nursing staff appear to have the capacity to obtain and pay for private accommodation without hardship. For the information of the member, student nurses and registered general nurses currently receive the following rates of pay—

**Student Nurses:**

- 1st year—\$156.90 per week
- 2nd year—\$182.90 per week
- 3rd year—\$216.50 per week
- 4th year—\$233.40 per week

**Registered General Nurses:**

- 1st year—\$266.90 per week
- 2nd year—\$273.60 per week
- 3rd year—\$283.20 per week
- 4th year—\$291.10 per week
- Thereafter—\$300.80 per week

Other staff in hospitals such as domestic staff, cleaners, orderlies etc., who work alongside the nursing staff, are required to provide their own accommodation. The range of wages for domestic staff, cleaners, orderlies, etc., is between \$209.10 and \$218.50 per week

719. *This question was postponed.*

**HEALTH: RADIATION**

*Laporte Titanium Plant: Disposal of Waste*

720. Mr HODGE, to the Minister for Health:

- (1) Is he aware that the Australian radiation laboratories have found

considerable radioactive material, including radium and thorium, in stockpiles of discarded Moore filters at the Laporte titanium plant near Bunbury?

- (2) Is he also aware that these filters have been accumulated over many years of operations and that the company is now proposing to destroy them by incineration?
- (3) In view of the high levels of radioactivity in these filters, is this a safe and desirable method of disposal?
- (4) Is his department concerned about possible radiation risks for the employees operating the incinerator or for the general public if the incinerator malfunctions?
- (5) As radioactive tailings are usually disposed of in a properly designed tailings dam, why is this course of action not being followed in this case?
- (6) Where will the radioactive ash from the incinerator be dumped?
- (7) Is his department satisfied that the procedure poses no environmental or public health risks?
- (8) In view of these and other similar problems with radioactive tailings at Capel, is there not now an urgent need for a uniform code of practice for the disposal of radioactive wastes from the mineral sands industry?

Mr YOUNG replied:

- (1) The presence of radioactive material in the Moore filter frames at the Laporte plant at Bunbury has been known for some years. The study by the Australian radiation laboratories was carried out at the request of the Western Australian Radiological Council in order to provide information which would assist in making decisions relating to the management of the relatively small amount of radioactive waste produced.
- (2) In answer to the first part of the question, yes. In answer to the second part, the radioactive substances are not destroyed by incineration.
- (3) Yes. It is a method recommended by the Radiological Council.
- (4) No. A properly designed incinerator will not result in radiation risks to employees or the public.

- (5) The filter frames or their ash are not tailings. They represent a relatively small amount of radioactive substance and a small volume.
- (6) The ash, if incineration is proceeded with, would be released into the liquid effluent of the plant.
- (7) Yes.
- (8) As indicated in my answer to question 467, part 34, discussions are being held with the Mines Department on an appropriate legislative framework to ensure the protection of workers in the mineral sands industry. These discussions also extend to protection of the public.

#### HEALTH: RADIATION

##### *Laporte Titanium Plant: Leschenault Inlet*

721. Mr HODGE, to the Minister for Health:

- (1) Is he aware of a report by the Australian radiation laboratories (ARL/TRO37) which indicates that elevated levels of radium have been found in crabs caught in the Leschenault Inlet?
- (2) Can he provide details of the recent follow-up radiation analysis of crabmeat from the Leschenault Inlet by the Australian radiation laboratories?
- (3) In view of his reply to question 639 of 1982, can he explain why the crabs in the Leschenault Inlet should have elevated levels of radium?

Mr YOUNG replied:

- (1) I am aware of this report which states that radioactivity in crab flesh was found to be essentially zero. Some radioactivity was found in crab shell, but the report did not suggest that this was elevated above normal.
- (2) This work has not been completed.
- (3) Radium and some other radioactive substances occur naturally in the environment and are found in many foodstuffs.

#### TOWN PLANNING

##### *Nannup*

722. Mr DAVIES, to the Minister for Urban Development and Town Planning.

- (1) Is it a fact that although the Shire of Nannup town planning scheme No. 1

was advertised in the *Government Gazette* of 29 January 1982 as being open for inspection, it was not available at Nannup until advertised locally on 25 February 1982?

- (2) Does such procedure meet all proper requirements?
- (3) Are not local people disadvantaged particularly in view of the fact that they had to cope with floods and the shire office was unable to make available the necessary form upon which submissions should be made?
- (4) In view of the fact that submissions close on 29 April 1982, would it not be fair and reasonable to extend such closing date?
- (5) If not, why not?

Mrs CRAIG replied:

- (1) No. The scheme was available for inspection prior to 25 February 1982, although the precise date cannot be specified due to the flood circumstances in the area.
- (2) Since the scheme was not open for inspection by the public on 29 January 1982, the proper requirements have not been met.
- (3) Yes.
- (4) Yes. I will request the Shire of Nannup to place a notice in the *Government Gazette* extending the advertisement of the scheme for public inspection through to 31 May 1982.
- (5) Answered by (4).

#### LAND

##### *Non-Government Schools*

723. Mr PEARCE, to the Minister for Lands:

- (1) What lands have been granted free of charge or reserved free of charge for sites for private schools in the last five years?
- (2) Will he give details of each grant or reservation?

Mr LAURANCE replied:

- (1) and (2) The following land has been granted free of charge during the last five years:

Reserve 35884 (Swan Location 9844) containing 4055 square metres "Special School Site" at West Hamersley, granted in trust to The Association for

the Advancement of Brain Injured Children W.A. (Inc.)—4 April 1979.

Reserve 32454 (Canning Location 3043) containing 18.3521 hectares "School Site" at Bull Creek, granted in trust to South of Perth Church of England Schools Incorporated—6 October 1980.

Reserve 34820 (Karratha Lot 73) containing 2.3851 hectares "Primary School Site", granted in trust to the Roman Catholic Bishop of Geraldton—14 June 1978.

Reserve 36969 (Herdsmen Lake Suburban Lot 459) containing 1320 square metres "School Site", addition to Newman College. Vesting order issued in favour of Marist Brothers Community Incorporated—21 November 1980.

Reserve 34911 (Plantagenet Location 7377) containing 3.8107 hectares "School Site" at Albany, granted in trust to the Australian Conference Association Limited—22 September 1979.

Reserve 36001 (Karratha Lot 1617) containing 1.6151 hectares "School Site" reserved for purposes of Australasian Conference Association Limited—30 March 1979.

Reserve 37411 (Kalgoorlie Lot 3890) containing 8170 square metres "School"—Crown grant in trust to issue to The Sisters of St. John of God.

## FISHERIES

### *Two Rocks Marina*

724. Mr CRANE, to the Premier:

- (1) With reference to my question 218 of 1982 relating to the "Two Rocks Yacht Harbour Agreement", who was responsible for the accuracy of map 1?
- (2) As the aerial photograph of November 1972 referred to in this question and tabled by him at a later sitting clearly shows an inaccuracy in the position of the natural mooring basin, as marked on map 1, does the Government concede that the map is wrong as the photograph cannot be disputed and shows the fishing boats on their moorings in the natural mooring basin?
- (3) (a) What are the reasons for this inaccuracy; and

(b) what effect has this on the Government's contractual obligations relative to the "Two Rocks Yacht Harbour Agreement"?

- (4) What alternative plans does the Government have for the protection of professional fishermen at Two Rocks as a result of the "Two Rocks Yacht Harbour Agreement" apparently being an innocuous document because of faulty charting?

Mr O'CONNOR replied:

- (1) The plan was compiled by licensed surveyors Steffanoni, Ewing and Cruickshank on behalf of their client, Yanchep Estates Pty. Ltd.
- (2) The location of the natural mooring basin as outlined on Map 1 is stated as approximate only. The agreement obligations, by definition, extend the area to the service jetty marked on Map 1 which largely encompasses the locations of moored fishing vessels depicted in the November 1972 aerial photograph.
- (3) (a) As answered in (2) the location of the natural mooring basin shown on map 1 is represented as being approximate only;
- (b) immaterial, for the reasons given in (2);
- (4) The agreement provides the appropriate machinery for the interests of the 25 professional fishermen who formerly used the Two Rocks natural mooring basin to be safeguarded, and the Government will ensure that the legal obligations of the agreement are met.

## EDUCATION: DEPARTMENT

### *Removal of Goods and Effects*

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

- (1) Further to question 601 of 1982 concerning tender ADQ3114—were any of the tenderers informed of the cost of supervisory and warehouse staff payments when tenders were originally called?
- (2) If so, which tenderer?

- (3) In view of the effect of the cost of supervisory and warehouse staff payments on the final tender, why were not all tenderers informed on the matters?

Mr MENSAROS replied:

- (1) No.  
(2) Not applicable.  
(3) The specification for ADQ3114 required that all work under the contract be performed within certain restricted working hours over the Easter holiday period.

Therefore, tender documents were prepared on the basis that the cost of supervisory and warehouse staff would be constant.

Several of the tenderers, because of their greater removal capacity, could carry out the contract in a significantly shorter period of time, with resultant cost savings on supervisory and warehouse staff payments. This factor was taken into account when tenders were evaluated.

#### LOTTERIES COMMISSION

##### *Raffles: Permit Conditions*

726. Mr BRIAN BURKE, to the Minister representing the Chief Secretary:

- (1) With reference to raffles held by the Lotteries Commission, is it a requirement of a permit that the permit holder must publish the results of the raffle and that the publication must be named on the ticket together with a date on which the results will be published?  
(2) If a complaint is received by the Lotteries Commission that the results have not been published on the date given on the ticket, what action is taken against the permit holder?  
(3) Are there any penalties for this breach?

Mr HASSELL replied:

- (1) No raffles are held by the Lotteries Commission.  
(2) A permit holder is contacted to ascertain the reason for the non-publication of results.  
(3) Yes, \$100.

#### RAILWAYS: SLEEPERS

##### *Concrete*

727. Mr BRIAN BURKE, to the Minister for Industrial Development and Commerce:

- (1) Is it correct that the concrete sleeper factory at Meckering proposes to close?  
(2) If so, why?

Mr MacKINNON replied:

- (1) Yes.  
(2) Because the Kwinana to Koolyanobbing re-sleepering project will be completed on 12 July 1982.

#### QUESTIONS WITHOUT NOTICE

##### LAND

##### *Resumptions: Valuation*

213. Mr GREWAR, to the Premier:

- (1) Does the Valuer General use different criteria from that used by licensed valuers when he assesses the value the Government will pay for land intended for resumption?  
(2) If "Yes", what points are taken into account?  
(3) Is the Premier concerned that the price offered by the Government for land is sometimes below the true market valuation?

Mr O'CONNOR replied:

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

- (1) No.  
(2) Not applicable.  
(3) As far as I am aware the valuation which forms the basis of the price offered normally is determined by the level of sales at the time of resumption. The owner of any property which is resumed is entitled to appeal to the court for consideration of the amount of compensation to be paid.

#### FUEL AND ENERGY: GAS

##### *North-West Shelf: Sales*

214. Mr BRIAN BURKE, to the Premier:

I refer to the North-West Shelf gas project and I ask—

- (1) Can the Premier say whether the Japanese are now any closer to signing contracts for the purchase of LNG?
- (2) What dangers are presented to the project by further delays?
- (3) Has the State Energy Commission had any further success in selling the surplus gas it has contracted to buy?
- (4) How much of the gas remains unsold?
- (5) Has Alcoa agreed to the price it is prepared to pay for gas it has indicated it will purchase?

Mr O'CONNOR replied:

- (1) to (5) If the Leader of the Opposition had really wanted an answer to that question he would have given me some notice of it because it will require some research. I suggest he put it on the notice paper.

#### SHOPPING CENTRE

##### *Kalbarri*

215. Mr TUBBY, to the Minister for Lands:

- (1) Could he provide some information as to when a decision is likely to be made on the problem with the protrusion over Crown land of the building known as the Kalbarri Shopping Centre owned by Kalbarri Investments at Kalbarri?
- (2) Is he aware the lack of decision is delaying a desire to strata title the shops in the centre?

Mr LAURANCE replied:

- (1) The matter is under active consideration by the Lands Department.
- (2) I am aware of the complications confronting the developer in regard to the issue of a strata title due to his building protruding over the legal boundaries of his lot, and the department is endeavouring to arrive at a solution to the problem.

#### EDUCATION: PRIMARY SCHOOLS

##### *Microcomputers*

216. Mr BRYCE, to the Honorary Minister Assisting the Minister for Education:

- (1) Has Treasury finished its assessment of the Education Department's proposals to introduce micro processors or micro computers into the State's primary schools?

- (2) When does the Minister anticipate he will be able to release details of that programme?

Mr CLARKO replied:

- (1) and (2) Some weeks ago I advised that a report was expected in the next few weeks. I assume that the matter is imminent. If the Deputy Leader of the Opposition would like to contact me, I will provide that answer for him.

#### TRADE UNION: BUILDERS' LABOURERS' FEDERATION

##### *State Secretary: Statement*

217. Mr TRETHOWAN, to the Minister for Police and Prisons:

- (1) Did the Minister see the article in last weekend's *The Western Mail* headed "The Tough Guy Who Leads the Labourers"?
- (2) Is it a fact that in the article Kevin Reynolds, State Secretary of the Builders' Labourers' Federation is quoted as saying "that Australia will one day be run by a socialist government. It won't come easy and it may not come without an armed conflict. History has shown that communism won't happen without an armed struggle. And politicians don't want to underestimate the intelligence of people in this country. They won't swallow the reds under the beds garbage anymore"?
- (3) Will the Minister assure the House that the Western Australian Police Force will continue to protect all West Australians' rights to freedom of speech and association under the law?
- (4) Will the Minister ensure that the Police Force is adequately prepared to counteract any persons who would seek to overthrow our system of parliamentary democracy by terrorism or armed subversion.

Mr HASSELL replied:

- (1) Yes, I am aware of the article.
- (2) The implication was made in the article that Australia will one day be run by a socialist Government. The other words the member quoted from the article appeared throughout it as direct quotations.

- (3) Yes, assurance is given that the Police Force will continue to protect the rights of all Western Australians to freedom of speech and association under the law.
- (4) The member may be assured that the Commissioner of Police, who is charged by law with the general control and management of the Police Force, will ensure that the force is adequately prepared to counteract any persons who would seek to overthrow our system of parliamentary democracy by terrorism and armed subversion.

## HEALTH: CHIROPRACTORS

### *Examination*

218. Mr PEARCE, to the Minister for Health:

- (1) Is it a fact that the examinations which are conducted annually by the radiological council to license chiropractors to take X-rays and which normally would be held in July this year, have been brought forward without notice to an early date in May?
- (2) Is he aware this may disadvantage some chiropractors who were intending to take the examination because their preparation time is curtailed?
- (3) If he is not aware, will he look into the matter and see if the chiropractors who are intending to sit for the examination are not being disadvantaged by the timetable?

Mr YOUNG replied:

- (1) to (3) I am aware of this situation which has been brought to my attention by members on this side of the House, to whom complaints were made by the chiropractors as outlined by the member for Gosnells. The Chiropractors Registration Board has the power to examine applicants in X-ray procedures and the Radiological Council conducts that examination on behalf of the board. On this occasion the person who was to conduct the examination on behalf of the council was also coming, as a chiropractor, to do a locum in May and agreed to conduct the examination while

he was here. I accept the principle that it is unfair to the people who are going to be examined because they have not had sufficient notice. The board might have given examinees more notice of the examiner's intention to come two months earlier than expected. I have advised the member for Nedlands and the member for Bunbury who raised the matter with me that they should contact the examinees who should complain to the Chiropractors Registration Board and ask the board to make alternative arrangements so that the examination is held at the normal time.

## PUBLIC SERVANTS

### *Salary Claim*

219. Mr WILLIAMS, to the Premier:

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

- (1) Is the Premier aware of unrest concerning the claim by the Civil Service Association for salary increases for Public Service professional division officers?
- (2) What progress has been made towards the resolution of the association's claim?
- (3) What steps have been taken to ensure that professional officers are not disadvantaged by the failure of the parties to reach agreement on this matter and what has been the result?
- (4) Has any employee been reduced in salary as a result of the Public Service Board's determinations?
- (5) Is the Premier aware that the Public Service Board's determinations are not considered by its employees to have resolved the association's claim.
- (6) Is there any scope for negotiations on the association's claim now that the Public Service Board has made its determinations?
- (7) Is the Premier aware of a Press report that the Public Service Arbitrator is not available to deal with disputes?

(8) Why is the claim not before the arbitrator for determination?

(9) Why does the Public Service Board not refer the matter for resolution by the Public Service arbitrator if the association refuses to take that action?

(10) What action is proposed by the Public Service Board to ensure salary justice for its employees.

(11) From what dates will any further increases to be granted apply?

26 groups. Those groups for which new rates have not been granted are still being examined by the Public Service Board.

The details of the new scales are contained in schedules which will be tabled for the information of the House.

Mr O'CONNOR replied:

(1) Yes.

(2) Negotiations have broken down over a fundamental difference between the approach adopted by the parties to the dispute.

The association will not negotiate on any basis other than one that would achieve a common increase for all 32 occupational groups within the Public Service professional division which reflects increases recently granted to clerical, administrative and general division officers.

The Public Service Board cannot agree to this approach as the salary levels for each occupational group have traditionally, and should appropriately continue to be, fixed on factors relevant to the individual occupational groups. Salary movements in other divisions of the Public Service have never been the sole factor influencing salary movements in the professional division and would provide salary increases for some groups which could not be justified if such an approach were adopted on this occasion.

(3) In the absence of any action by the association, the Public Service Board has granted new salary scales for 26 of the 32 occupational groups within the professional division. These new scales include significant increases in 22 of the

(4) No. In four occupational groups where salary scales lower than those which currently apply have been determined, the existing salaries of officers concerned will not be reduced but will be maintained by way of an allowance which will be absorbed by future salary increases.

(5) Yes. It was never intended that the Public Service Board's determinations would or could provide a final resolution of the association's claim. The action was considered to be a necessary expedient at the time and was taken in the full knowledge that each occupational group would need to be carefully examined, taking all relevant factors into account to arrive at a proper and equitable resolution of the association's claim.

(6) Yes. The Public Service Board's determination in no way disposes of the association's claim. It has always been and is still open to the association to resume negotiations or to refer its claim for arbitration under the provisions of the Public Service Arbitration Act.

(7) Yes. This report is totally inaccurate. There is and has always been a Public Service arbitrator available in either a substantive or an acting capacity to deal with the dispute.

(8) The association has decided, for reasons of its own, not to refer its claim for arbitration under the provisions of the Public Service Arbitration Act. In fact the association has not formally filed its claim under the provisions of this Act and has chosen instead to pursue its claim by means of direct action.

- (9) The existing provisions of the Public Service Arbitration Act do not enable an employer to refer a dispute for arbitration. Steps are being taken to correct this situation in the current session. A Bill is before the House at this stage in relation to that matter.
- (10) The Public Service Board is continuing its examination of the salary scales for each occupational group within the professional division despite the association's refusal to participate in negotiations. When this examination is complete the board will take whatever action is necessary to ensure that its employees receive fair and equitable salaries.
- (11) Operative dates have already been established by the Public Service Board and notified to the association. These dates vary from group to group. However, in the majority of cases the date will be either 29 January 1982 or 12 February 82.

I request permission to table the following papers: A schedule showing variations to salary rates resulting from the Public Service Board determinations; a schedule of the number of officers in each professional group as at 31 March 1982; and a schedule of dates on which the salary increases determined by the Public Service Board will be paid to the officers concerned.

*The papers were tabled (see paper No. 182).*

## GRANTS COMMISSION

### Report

220. Mr BRIAN BURKE, to the Treasurer:

Is he able to tell the House of the present situation in respect of the reconsideration of the 1980 Grants Commission report?

Mr O'CONNOR replied:

I am not able to give an up-to-date disclosure of the details involved, but if the Leader of the Opposition wants the information I am quite happy to provide it for him.

## TRADE UNION: TRANSPORT WORKERS' UNION

### Black Ban

221. Mr HERZFELD, to the Honorary Minister Assisting the Minister for Consumer Affairs:

- (1) Can he confirm that the Transport Workers' Union of Australia has placed a black ban on one of the independent oil companies?
- (2) Which company is involved and has he ascertained the reason for the black ban?
- (3) Will the ban affect—
  - (a) the supply; and
  - (b) the cost of fuel supplied to the company's consumers?

Mr SHALDERS replied:

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

- (1) Yes.
- (2) The company involved is Foremost Oil Distributors Pty. Ltd. which is an independent distributor supplying fuel to lessee dealers utilising the 50 per cent buying right at discount rates. The reason for the ban is difficult to understand as the company's drivers are union members and its operations serve to increase competition which should reduce prices at the retail level.
- (3) (a) Yes, if it continues;
- (b) yes, the wholesale cost to the dealers concerned will almost certainly increase and there is little doubt this increase will be reflected in the retail cost to the consumers.

## WATER RESOURCES

### Rates: Percentage

222. Mr GORDON HILL, to the Minister for Water Resources:

Some notice of this question was given this morning and it is as follows—

- (1) What percentage of total water rates is paid by—
  - (a) commercial users
  - (b) domestic users?
- (2) What percentage of total water rates is paid by—
  - (a) small businesses
  - (b) large businesses?



Mr MENSAROS replied:

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

- (1) (a) and (b) Fifty five per cent of total water rates and charges for consumption beyond allowance levied in 1980-81 was recoverable from the residential sector. Consequently, 45 per cent was recoverable from the non-residential sector.
- (2) (a) and (b) The percentage of total water rates paid by small and large businesses is as difficult to determine as a definition of just what is a small business. Since the MWB does not differentiate between businesses, the percentage requested cannot be determined.

#### GOVERNMENT VEHICLES

##### *Use by Staff*

223. Mr GREWAR, to the Premier:

- (1) What criteria are used by departments in the allocation of Government cars to staff members?
- (2) On what basis are different models allocated?
- (3) Is it not cheaper and more satisfactory for Government to pay mileage rates on an employee's own car used on Government business, where mileage can be identified.
- (4) Which officers of the Parliament or staff of Ministers and Opposition are permitted to use ministerial cars?

Mr O'CONNOR replied:

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

- (1) and (2) There is no standard criteria. Arrangements are dictated by the individual requirements of departments and authorities.
- (3) Yes, for limited annual running only and this is the practice followed in appropriate circumstances.
- (4) There is no specific list of officers authorised to use ministerial cars. All users must, of course, hold current drivers' licences.

Dependent upon the circumstances, tasks assigned or authorised by a Minister could require an officer to drive the vehicle which has been allocated to the Minister.

#### PUBLIC TRUSTEE AMENDMENT BILL

##### *Pennant Holdings Pty. Ltd.*

224. Mr BERTRAM, to the Premier:

This question relates to a Bill to amend the Public Trustee Act which is currently before the House. Would he be good enough to make available to me details as to the shareholders and directors of the limited company involved, which is Pennant Holdings Pty. Ltd.?

Mr O'CONNOR replied:

I think the member has the ability to research that matter himself through the Companies Office.

#### ELECTORAL: WILSMORE CASE

##### *Appeal*

225. Mr NANOVIK, to the Premier:

- (1) Has the High Court of Australia given a decision on the appeal of the State of Western Australia in the Wilsmore case?
- (2) If so, with what result?

Mr O'CONNOR replied:

- (1) and (2) Yes, the High Court has given a unanimous ruling on that case which upheld the State's position.

#### TRANSPORT: AIR

##### *Perth Airport: Future Development*

226. Mr BRYCE, to the Minister for Transport:

In view of concern about the accuracy of newspaper reporting and the Government's attitude with regard to the various options for the future development of Perth Airport, will the Minister indicate to the House the position the Government has adopted in respect of the three essential questions concerning communities and people involved which are—

- (1) the siting of the new terminal;
- (2) future roadway access to the airport;
- (3) runway development?

Mr RUSHTON replied:

The reporting was not quite accurate. The member will note that in the first line a wrong word was produced which gave the wrong impression.

Mr Bryce: There was a correction.

Mr RUSHTON: A correction was requested, and given, which I appreciated; but I have not seen it. In regard to the siting of the new international terminal the indication from Press releases put forward and from my comments is that this Government has indicated to the Commonwealth its support for a combination of option 2 and option 4. That means we would support the international and domestic terminals being placed midway between the two runways, and the entry road being from the Beechboro-Gosnells Highway.

We believe that when the need exists for the second runway, which would be to the east, it should be constructed. We are conscious of the impact the siting of these facilities would have on the surrounding areas. In supporting the propositions in the way we have we are mindful that in due course technology may find alternatives, and it could well be that the second runway will not be required. Something could be developed in the intervening period whereby no further need for that second runway—a runway which would be disadvantageous to some people—would exist.

We must always have options available to us to cover what might happen in the future, so we have taken the step of indicating our acceptance of a combination of option 2 and option 4, about which the member asked in regard to the siting of these facilities.

## WATER RESOURCES: RATING

### *System*

227. Mr COURT, to the Minister for Water Resources:

Is the Government contemplating changing the system of charging for water, sewerage, and drainage for the commercial sector from a value-based system to a pay-for-service—pay-for-usage system?

Mr MENSAROS replied:

Yes. As I foreshadowed in the second reading speeches of the Metropolitan Water Authority Bill and the Metropolitan Water Supply, Sewerage, and Drainage Amendment Bill, the new Metropolitan Water Authority legislation will have provisions to change the system. After having spent nearly a year in seriously studying the possible options of a pay-for-service—pay-for-usage system, and after having done so with representatives of the commercial and industrial sectors, I am more and more convinced that such a system will not only be more equitable, suitable and easier to be budgeted for, but also much better for and readily accepted by the business community.

The precise method of implementing the system will have to be worked out for every service such as water, sewerage, and drainage, and even if the largest possible consensus is reached the implementation would have to be fairly slow and gradual.

## GRANTS COMMISSION

### *Report*

228. Mr DAVIES, to the Treasurer:

Can he say what will be the effect on the finances of Western Australia—particularly in regard to tax sharing—of the implementation, without alteration, of the 1980 Grants Commission report?

Mr O'CONNOR replied:

The 1980 Grants Commission report implementation would be disastrous for Western Australia.

Mr Davies: With what effect, do you know?

Mr O'CONNOR: The total effect would be \$160 million less than under the previous system.

Mr Brian Burke: I think all-up it was \$217 million.

Mr O'CONNOR: I thought it was \$160 million-odd, but it is substantial. Our people have been in the east going through the options with the Grants Commission and have put up a claim in which we have tried to refute some of the propositions put forward originally by the Grants Commission. One of the reasons given in the report was that Western Australia ought to be

disadvantaged because a number of our systems far surpass those of the eastern States. The commission considered our hospital and education systems were better than those in eastern States. I do not see why we should be disadvantaged as a result of our better management, and I am sure members opposite would agree with that view.

### ROAD

#### *Geraldton-Mt. Magnet*

229. Mr COYNE, to the Minister for Transport:

- (1) What stage of progress has been reached in the construction of the Geraldton-Mt. Magnet Road?
- (2) What is the estimated date of completion?
- (3) Is it planned to mark this historic milestone for Murchison people with a public celebration with shire councils participating and recognising the tremendous contribution by the Main Roads Department?
- (4) Would the Minister consider naming this major road link "The Murchison Highway" in recognition of its importance to the State road system as a whole?

Mr Davies: It was ours originally, to "Coyne" a phrase.

Mr RUSHTON replied:

- (1) and (2) Good progress has been made on the construction and the sealing of this road. Work is expected to be completed by the end of June 1983.
- (3) Yes.
- (4) Yes. The amount of work the member for Murchison-Eyre has done in support of this highway has meant that it could reasonably be called the "Coyne Highway".

### HEALTH: RADIATION

#### *Capel and Wonerup: Tests*

230. Mr BLAIKIE, to the Minister for Health:

Will the Minister have his staff test other areas in the Capel-Wonerup mineral sand field to ascertain radiation levels and whether they pose any threat to public health?

Mr YOUNG replied:

Yes. The staff of the Public Health Department are available to survey any area where it is suspected that mineral sands tailings have been deposited, and will do so on application from an appropriate authority or person.

### EDUCATION:

#### KALGOORLIE AND KAMBALDA

##### *Travelling Costs*

231. Mr GRILL, to the Honorary Minister Assisting the Minister for Education:

- (1) Is he aware that three children were being transported by taxi each school day from Kalbarra to Kalgoorlie and return until recently?
- (2) Where are the children presently being educated?
- (3) What special arrangements have been made to provide adequate education for those children in Kalbarra or elsewhere?
- (4) Is it correct that at least one of the children still must attend school at Kalgoorlie as the child cannot be educated adequately at Kalbarra? What help is being given to the parents of that child to defray the travelling costs?

Mr CLARKO replied:

- (1) It is true that three children were travelling via taxi from Kalbarra to Kalgoorlie each day as from the beginning of this year. My understanding is that this provision ceased at the Easter break.
- (2) and (3) Steps taken in Kalbarra were to provide a special school to give an opportunity for not only these children, but also a significant number of other children in the Kalbarra locality, to attend a class, and those steps were that in the mornings children with particular and significant problems might be assisted, and in the afternoons children with less, but still significant educational problems, would be helped.
- (4) I understand you are asserting that one child still has a need to go to Kalgoorlie, and if the member would like to convey correspondence to me on this matter, or put the question on notice, I will seek to forward a reply to him or answer his question in detail.

**HEALTH:  
FAMILY PLANNING ASSOCIATION**

*Funding*

232. Mr WATT, to the Minister for Health:

Following calls for an increased level of funding by the Government of the Family Planning Association, has he examined the position in respect of both the need and the availability of funds in regard to that association? If so, what were his findings?

Mr YOUNG replied:

The Government acknowledges and supports the general activities of the Family Planning Association, and that is why the Premier has acceded to the association's request for top-up funding in 1981-82 to the extent of \$27 000, and prior to this had already advanced \$22 000 for this financial year. I advised the association and publicly stated that I would be applying for an increase in the association's funding out of State resources in 1982-83.

The Government would like to ensure that the operations of the association are at least maintained at the existing level. As a background to that, in December of 1981 the Commonwealth advised the Family Planning Association that a fixed grant of \$242 000 would be allocated for the 1981-82 financial year. The grant was to be based on the out-turn figure for the previous financial year. Because of inflation and increased salary award payments, the association was facing an anticipated deficit of some \$27 000 to \$29 000. The association undertook to review its operations to effect economies.

I have had a close involvement with the association, especially recently by way of correspondence and by deputation, and it was out of these representations that the favourable consideration for financial assistance arose. Following

consultations with me and exchange of correspondence on the matter, the association on 5 March made a written request to the Under Treasurer for a grant to cover the shortfall in operating costs due to the reduction in the level of Commonwealth support for the current financial year.

In response to this submission for top-up funding for the current financial year, the Premier on 7 April advised the Family Planning Association that all State funds had been committed and that he was unable to assist. Following a review of expenditure levels as at 31 March and known commitments as at 14 April, it appeared the Public Health Department would be able to assist with some extra funding. On 20 April I approved an approach to the Premier for a review of the situation and the Premier agreed to the payment of up to \$27 000.

The SPEAKER: I regret I cannot take any more questions without notice today. If there were only one or two members wishing to ask questions perhaps we could continue. However at least four or five members are seeking to ask questions. We have had in excess of 30 minutes and at least 20 questions have been asked and answered during that time. It would be inappropriate of me to allow questions without notice to continue considering the time that we have already had today.

**HEALTH:  
RADIATION SAFETY ACT**

*Amendment*

Mr YOUNG (Minister for Health): Mr Speaker, I seek your indulgence in order that I may table a paper in answer to a question which was asked in this House yesterday by the member for Melville.

*The paper was tabled (see paper No. 183).*