

Legislative Assembly

Tuesday, 3 April 1984

The SPEAKER (Mr Harman) took the Chair at 2.15 p.m., and read prayers.

FINANCIAL INSTITUTIONS DUTY AMENDMENT BILL 1984

Introduction and First Reading

Bill introduced, on motion without notice by Mr Brian Burke (Treasurer), and read a first time.

Second Reading

MR BRIAN BURKE (Balga—Treasurer) [2.20 p.m.]: I move—

That the Bill be now read a second time.

The Bill introduces the amendments required to give effect to the recent commitment made by the Government to exempt completely from financial institutions duty all accounts operated by charities and local government authorities.

Under the current provisions which apply at the end of each financial year, charitable institutions are entitled to a refund of the excess duty paid over \$20, and in certain cases refunds are available on a quarterly basis. Local government authorities are able to operate exempt accounts, but are not permitted to pay into those exempt accounts receipts derived from certain business undertakings.

The system of providing refunds to charitable institutions was designed to provide the appropriate level of relief to charities and also to overcome the administrative difficulties which had been experienced in both New South Wales and Victoria, as a result of those States providing an exemption for charities.

However, in the short time that the duty has been in operation, it has become apparent that the system of providing refunds is causing considerable concern among certain charities, particularly churches which have a number of parishes each operating individual accounts.

Mr Williams: And businesses?

Mr BRIAN BURKE: I am not sure what businesses can seek refunds to which the member is referring.

Mr Williams: We will discuss it later.

Mr BRIAN BURKE: In light of the operations of FID, charities have been able to show to the Government that the administrative workload

involved in co-ordinating a consolidated application for a refund is substantial, especially for large organisations with a number of autonomous branches.

Mr Thompson: We told you all of that when you had the legislation here previously.

Mr BRIAN BURKE: I would have thought that there would be praise from the Opposition in the instance of a Government which is prepared to say that in respect of a piece of legislation—

Mr Blaikie: You wouldn't listen.

Mr BRIAN BURKE: —experience has shown that the Government was wrong in that part of the legislation which has now been rectified.

Mr Tonkin: Something your Government would never admit. It was never known to admit it.

Mr BRIAN BURKE: If the Opposition sees its authority as a sort of "I told you so" mentality, that is what it will stay—the Opposition!

Mr Clarko: Is not your favourite phrase, "I was wrong"?

Mr BRIAN BURKE: Furthermore, this workload reduces the capacity of charitable institutions to carry out their valuable work in the community. This was never the intention of the Government.

The Bill proposes amendments which will enable charitable institutions, as defined, to apply to the Commissioner of State Taxation to obtain a certificate of exemption from the duty. The certificate will relate to the names of all accounts operated by the charitable institution. The certificate, upon production at any registered financial institution, will allow the charity to conduct an exempt account in its name with that registered financial institution. By relating exemption certificates to account names, rather than to account numbers, the administrative burden on the State Taxation Department should be significantly reduced, compared with the situation in Victoria, for example, where an individual certificate has to be issued for every account.

In deciding on the provision of exempt accounts, in preference to classifying receipts by charitable institutions as exempt receipts, as has been done in New South Wales, the Government was mindful of the Australian Bankers' Association's views on this matter. The association had requested that if an exemption was to be provided to charities, it should be administered by way of exempt accounts, the exempting of receipts placing too great a responsibility on the banks and other financial institutions in determining which charitable institutions were eligible for an exemption.

The introduction of the new exempt accounts system for charities will take some time. However, all charities will be entitled to a full refund of duty paid from 1 January 1984 to the time their exempt account status is established with financial institutions. To facilitate a smooth transition from the system of refunds to exempt accounts, it is anticipated that in conjunction with the issuing of a certificate of exemption to the charity concerned, the Commissioner of State Taxation will forward the necessary forms for the application for refund. These must be completed and returned to the State Taxation Department prior to 31 December 1984.

I should make it clear to members that for large charitable bodies such as churches which have a number of parishes each operating accounts autonomously, an application for an exemption certificate will need to be made by each parish.

As I mentioned at the outset, this Bill also provides for a total exemption of all accounts operated by local Government authorities. Under the current provisions, local government authorities are eligible to apply for exempt accounts, but are not permitted to pay into those accounts receipts derived from certain business undertakings. Experience with the operation of the duty has shown that the requirements for local government authorities to pay duty on some of their business undertakings is administratively burdensome for both the authorities concerned and the State Taxation Department. Moreover, the department's administrative costs are disproportionately large when compared with the revenue raised from this source.

Under the new arrangements for local government authorities contained in this amendment Bill, these authorities will be completely exempt from duty once they give notice in writing to any bank, building society, or credit union where their accounts are held. On receipt of this notice, the bank, building society, or credit union will then designate that account as an exempt local government account.

The operative date for the changes in treatment of both charities and local government authorities is 1 June 1984, although, for administrative reasons, the issuing of exempt certificates to charities will extend for some months after that date.

I commend the Bill to the House.

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

PAY-ROLL TAX ASSESSMENT AMENDMENT BILL 1984

Introduction and First Reading

Bill introduced, on motion without notice by Mr Brian Burke (Treasurer), and read a first time.

Second Reading

MR BRIAN BURKE (Balga—Treasurer) [2.28 p.m.]: I move—

That the Bill be now read a second time.

The Bill now before members contains proposed amendments that are designed to reinstate the imposition of payroll tax on commission paid to insurance agents, to generally improve administrative procedures, to widen the exemption provisions, to rectify anomalies and inequities, and to clarify the intention of the law.

In particular, the Bill includes provisions to—

countervail an adverse Privy Council decision that ruled that payments of commission to insurance agents were not wages and thereby converted what was intended to be taxable wages to non-taxable wages;

update and broaden the powers of communication of information presently conferred on the Commissioner of State Taxation;

widen the exemption provisions in respect of any charitable body or organisation which the Minister in his absolute discretion prescribes to be of a nature worthy of exemption;

restrict the special annual adjustment afforded by the law to instances where the "prescribed amount" only is changed by amendment to the Act;

introduce an alternative measure that will enable members of a group seeking exclusion from the grouping provisions to apply to the Commissioner of State Taxation for such exclusion;

rectify a technical anomaly by reconciling a conflict in certain areas of the legislation that deal with the liability of members of a group to pay tax incurred by the group as a whole;

allow the imposition of an interest charge in cases of a taxpayer being granted an extended period of time in which to pay his tax or is permitted to pay arrears of tax by instalments;

facilitate the expeditious collection of outstanding payroll tax in cases where an objection is lodged or a case is stated to the Supreme Court; and

remove the ambiguity that presently exists in respect of the method of calculation of the "prescribed amount" during a period when a change is effected thereto.

I shall now explain and comment upon each of the proposed amendments.

Under the existing definition of "wages" incorporated in the legislation, commissions paid to insurance agents were intended to be taxable wages subject to the imposition of payroll tax. This, however, is no longer so, as a result of an adverse Privy Council decision in legal proceedings involving the General Accident Fire and Life Assurance Corporation Ltd. and Sentry Life Assurance Ltd. v the Commissioner of Payroll Tax (NSW).

The Privy Council decided that insurance agents selling on commission in the manner in which insurance policies are now sold are not covered by paragraph (d) of the definition of "wages" in that they do not constitute insurance canvassers or collectors as mentioned in that paragraph. Accordingly they ruled that amounts paid to them by way of commission are not wages and so are not taxable.

In order to ensure that commissions paid to insurance agents will once more become subject to the incidence of payroll tax, a countervailing measure to offset the Privy Council's decision is necessary. A proposed amendment to the definition has been formulated to restore the intended application of the law in respect of commissions paid to insurance agents.

Consequential to this amendment it was also necessary to insert into the law a definition of "insurance agent".

To update and broaden the powers of communication presently existing in the law it is necessary, firstly, to remove the reference to the "Treasurer" and to substitute therefor the "Minister" because of the recent transference of ministerial responsibility of State taxation legislation, and, secondly, to delete the reference to the "Commonwealth Statistician" who no longer requires the statistical information previously provided.

The broadening of the powers of communication will allow the responsible Minister, where in his opinion it is warranted, to give the commissioner written approval to divulge any specified information to any particular authority or person.

The Government proposes to widen the exemption provisions in respect of any charitable body or organisation, the objects of which the Minister

in his absolute discretion, prescribes to be of a nature worthy of exemption.

The intention of the existing provisions dealing with special annual adjustments is to provide for an adjustment of payroll tax during transitional periods to ensure that no taxpayer is disadvantaged by the change in the concessional deduction; that is, the "prescribed amount".

Because of a technical fault in the text, it has become evident that interpretation of these provisions can be construed to cover situations that originally were not envisaged or intended. For instance, the existing provisions presently allow an employer to recover any additional tax required to be paid as a consequence of an amendment to the Act. This, of course, is beyond the intention of the law, and the proposed amendment is designed to restrict the adjustment of tax afforded to instances where the "prescribed amount" only is changed by amendment to the Act.

Another initiative to improve administrative procedures in respect of the granting of exclusion of members of a group from the grouping provisions of the law is proposed. Under the existing grouping provisions the Commissioner of State Taxation is obliged to initially gather and examine all relevant facts surrounding members constituting a group and to satisfy himself that the taxpayer should or should not be excluded from the grouping situation before registering the taxpayer and issuing any assessment.

As a result of this requirement, taxation officers are committed to an enormous amount of additional work, which in the majority of cases proves to be unnecessary and which is delaying the issue and payment of assessments.

The proposed amendment is to introduce an alternative measure whereby any member of a group seeking exclusion therefrom may make an application to the commissioner setting out the grounds and reasons in support of his case for exclusion. The existing power conferred on the commissioner to exclude, of his own motion, a member of a group will be retained in the legislation.

The Bill also proposes to rectify a technical anomaly involving the liability of all members of a group being jointly and severally liable for tax incurred by the group as a whole. Under the present law there exists a recovery provision that provides that any tax payable by a member or members of a group is a debt due jointly and severally by every person who is a member of that group. In essence, therefore, this recovery provision enables the retrieval of tax from all members of a group whether or not they pay wages.

On the other hand, the grouping provisions contain several sections dealing with the liability of members of a group in specified situations and these conflict with the aforesaid recovery provision in that they erroneously confine the liability for payment of tax to only those members of the group who pay, or are liable to pay, wages.

This is not in conformity with the intention of the law, so that it is now proposed to effect amendments to the offending provisions in order to reconcile them with the recovery provision.

It is the Government's intention to correct an inequity in the law that is created in cases where a taxpayer is afforded an extended period of time in which to pay his tax or is permitted to pay arrears of tax by instalments over a period.

Under the present legislation, taxpayers who receive the commissioner's approval for any deferment in payment of tax or payment by instalments are receiving extended credit without penalty and this creates inequities between those taxpayers who pay their tax within the statutory time allowed and those who do not.

In order to set right this inequity, the proposed amendment is to impose an interest charge of up to 20 per cent subject to the commissioner's power to remit such interest or any part thereof where circumstances are warranted.

Another proposed amendment is to facilitate the expeditious collection of outstanding payroll tax in cases where an objection is lodged or a case is stated to the Supreme Court.

The law presently provides that there should be no delay in payment of tax only where an appeal is lodged. The proposed amendment is to similarly provide that no delay in payment of tax should occur in instances where an objection is lodged or a case is stated to the Supreme Court.

The last of the proposed amendments contained in the Bill stems from an objection recently received by the commissioner concerning the method of calculation that should be adopted to arrive at the allowable "prescribed amount" during a period when a change has been effected thereto.

The objection lodged revealed that two totally opposed methods of calculation of the prescribed amount could reasonably be interpreted from the text of the formulae set out in the schedule to the Act. The proposed amendment accordingly is designed to remove the ambiguity that presently exists and make perfectly clear the method of calculation that should be adopted.

I commend the Bill to members.

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

STANDING ORDERS

Restoration

MR TONKIN (Morley-Swan—Leader of the House) [2.41 p.m.]: I move—

For the balance of the present session, unless otherwise ordered, those Standing Orders concerning the introduction and passing of Bills and the consideration of Messages from the Legislative Council, which have been suspended since the passing of a resolution of this House on 27 October 1983, shall and do hereby have effect.

These Standing Orders were suspended to expedite business towards the end of last year. As this session is a continuation of last year's session, the suspension of Standing Orders agreed to towards the end of last year is still in force until we move to revoke the motion, in order that the House might operate in the usual manner.

While speaking on the subject of the management of this House, I advise that I have been having the most courteous discussions with the Deputy Leader of the Opposition (Mr Barry MacKinnon), and I am hopeful as a result of co-operation between the Government and the Opposition that the business of the House will operate smoothly. I think it is very important that it does because the people of the State will benefit from such co-operation and, of course, so will the members of the House. I hope we will be able to work things out behind the Chair so that when we bring forward matters of a procedural nature, as distinct from matters of an important principle, we will have a goodly measure of agreement.

Question put and passed.

STANDING ORDER No. 225

Restoration

MR TONKIN (Morley-Swan—Leader of the House) [2.43 p.m.]: I move—

For the balance of the present session, unless otherwise ordered, Standing Order 225 concerning Grievances which was suspended by resolution of the House on 9 November 1983, shall have effect on and from Wednesday, 4 April, 1984.

This motion only reinstates the grievance debate; it does not refer to private members' debate generally because that does not involve a sessional order, but is a matter of agreement between the Government and the Opposition. However, regarding private members' business on

Wednesdays, the agreement which was in force last year and which largely carried on the usage in force during the time of the O'Connor Government, will be the same. I am not sure what time private members' business commenced on Wednesday afternoons—I think it was 4.30 p.m.—but whatever time it was last year and the year before that will be the time it will commence on Wednesdays as from tomorrow, and once again this motion will regularise private members' business.

Members would be aware that because this session is a continuation of last year's session, there is no Address-in-Reply debate. However, I believe the reinstatement of private members' business from the first Wednesday of the sitting adequately compensates for that. Members are aware that if there is an Address-in-Reply debate, there is no private members' day, so what members lose on the swing they will pick up on the roundabout.

Question put and passed.

FINANCIAL INSTITUTIONS DUTY AMENDMENT BILL (No. 2) 1984

Introduction and First Reading

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

INDUSTRIAL ARBITRATION AMENDMENT BILL 1984

Second Reading

MR TONKIN (Morley-Swan—Leader of the House) [2.46 p.m.]: I move—

That the Bill be now read a second time.

The purpose of the legislation is to introduce changes affecting appropriation that have been proposed following the review of the Industrial Arbitration Act 1979-1982 by the interim tripartite committee. These amendments relate to the salaries, allowances, and superannuation entitlements of members of the Industrial Relations Commission.

Other amendments to the Industrial Arbitration Act will be introduced today into the Legislative Council by my colleague, the Hon. D. K. Dans.

The interim tripartite committee recommended the following in regard to conditions for members of the Industrial Relations Commission—

- conditions of employment for all members of the commission to be the same;
- president's salary to continue to be equal to that of a Supreme Court judge;

provision should be made for commission members to maximise their superannuation benefits after 10 years rather than the current 30 years at age 60;

the basis of salary and conditions for commission members was a matter for the State Government to determine.

Most of the recommendations of the interim tripartite committee have been incorporated in this Bill.

The following is a summary of the provision of this Bill—

the substance of the Bill is to come into operation from the day on which it is assented to by the Governor except for clause 4 which comes into operation when the relevant sections of the Acts Amendment and Repeal (Industrial Relations) Act 1984 come into operation;

the salaries allowances and reimbursements of the members of the commission to be set by Statute, rather than by the Salaries and Allowances Tribunal;

the chief commissioner's salary, allowances, and reimbursements are to be the same as for a judge of the District Court—other than the chairman of judges;

the Senior Commissioner shall receive 95 per cent of the salary and 66.67 per cent of the annual expense allowance received by the Chief Commissioner;

the remaining commissioners will receive 90 per cent of the salary and 50 per cent of the annual expense allowance received by the Chief Commissioner.

The commission is a court of record having both judicial and arbitral functions. It is as important in this area of the law as in others that the appearance as well as the reality of the tribunal's independence be secured. This will be done by linking the salaries allowances and reimbursements of members of the commission with those applicable to members of the judiciary. The president is already related in salary and allowances to a judge of the Supreme Court. The Chief Commissioner's salary and allowances will now be fixed at the same rates as a District Court judge. The present relativities between the Chief Commissioner's salary and allowances and those of other commissioners will be maintained. As the proposed changes would involve a small reduction in the salary component of the Chief Commissioner's and other commissioners' emoluments, the Bill contains a provision to avoid that result.

All members of the commission will have the same conditions of service.

Superannuation entitlements have been amended to incorporate the recommendation of the interim tripartite committee. This is done, by the duration of employment, for the purposes of superannuation, being deemed to be 100 per cent of the service from the commencement date of this Bill. Similar provisions have existed in South Australia since 1974.

This will allow for commissioners who have been appointed at age 50 to receive maximum superannuation entitlements at the 65-years retirement age. The current Superannuation and Family Benefits Act effectively discourages persons from outside the Government sector from accepting commissioner positions because of the present unfavourable conditions. This amended provision will remove that disincentive to experienced persons of ability in the private sector from considering appointments to the commission.

The same accelerated superannuation entitlements will apply to commissioners who—

- (a) continue in the employment of the State after retirement;
- (b) through death, or invalidity, or physical, or mental incapacity are unable to perform their duties.

The entitlements of the present president of the commission have been preserved from the duration of his occupancy of that position.

The commission is given power to make regulations to—

- (a) establish payment of remuneration, travelling and other allowances for members of the constituent authorities—other than commissioners; and
- (b) provide for the constituent authorities to approve payment for expenses incurred by appellant, respondent, and witnesses to promotional appeal proceedings.

I commend the Bill to the House.

Debate adjourned, on motion by Mr O'Connor.

BILLS (2): MESSAGES

Appropriations

Messages from the Lieutenant-Governor and Administrator received and read recommending appropriations for the purposes of the following Bills—

1. Supreme Court Amendment Bill 1984.
2. Industrial Arbitration Amendment Bill 1984.

SUPPLY BILL 1984

Second Reading

Debate resumed from 22 March.

MR HASSELL (Cottesloe—Leader of the Opposition) [2.52 p.m.]: The Government's taxing and charging policies will cost every household in Western Australia \$1 056 in the current financial year, or in a full financial year based on the current financial year increase. This figure dramatically illustrates the Government's extravagance and lack of discipline in budgeting and in financial control. It illustrates that the Government has given all its attention to the expenditure side of the ledger and has failed in its duty and in its promise to maintain services without increasing taxes and charges.

In the Budget the Government introduced last year—its first Budget—the tax take went up by 20.6 per cent; that is, taxes as distinct from charges. In 1982-83, State taxation was \$457.3 million; in 1983-84, it will total \$573.4 million. In full-year terms, the increase is actually 26.4 per cent, or an extra \$125.6 million.

In the current financial year departmental charges are budgeted to increase from \$295.7 million to \$386.4 million, an increase of \$90.4 million, or 30.6 per cent. If those figures are translated into a full year, the increase would be conservatively estimated to top 40 per cent in charges and the take would be equivalent to an extra \$120 million in a full year.

The combined effect of increases in State taxes and charges in the current Budget—in the budgetary period which the people of this State are now experiencing—can be expressed as follows: The increase by Government utilities is \$114 million, which represents \$335 per annum for every household in Western Australia; State taxes of \$125 million represent \$368 per annum per household in Western Australia; and departmental charges of \$120 million represent \$353 per annum per household. The total increase of \$359 million represents \$1 056 per annum for each Western Australian household.

The question of taxation generally is one which will become, if it is not already, a key issue in the Australian political scene. I have deliberately commenced my remarks in the Supply Bill debate by referring specifically to the current budgetary period and the burden being imposed by the State Government, and related this to the households of this State. In fact, the taxation issue is much broader, and we should look at the broader picture.

I refer now to a number of taxation matters which on the face of things appear to be related to the Commonwealth only. Of course, they are not related to the Commonwealth exclusively because the burden of those tax increases and proposed new taxes will weigh heavily on the people of this State and will affect the capacity of the private sector to expand its operations and to provide for the employment increase desperately needed in this State.

I remind the Government that only a little over a year ago it was elected on one very important commitment; that is, to reduce the level of unemployment. A year later, it has not done so and the current unemployment figure in this State—over 71 000—is in excess of the worst figures ever previously seen in this State in actual terms, and runs parallel with the worst figures in percentage terms. The real point is that following more than a year in office, the present Government has not produced a turnaround in the trend, nor has it produced any indication that there will be a turnaround or that Western Australia will benefit from policies which were said to be designed specifically to improve employment.

It may be repetitious to refer to this matter and no doubt it will not please the Government to have it brought up again. The fact remains that this Government above all other things was elected on an unemployment-employment ticket, and it has not fulfilled the promise to that ticket in any way. One of the key reasons for its failure is that it has hit so hard and so effectively at the very people who provide employment—those in the business sector, and in particular the small business sector which provides the great bulk of private sector employment.

I return to the point that the taxation issue, whether it be in terms of taxes in this State and the very substantial increases imposed in the past 12 months, or the new taxes to be imposed by the Commonwealth or being contemplated by the Commonwealth, is the key issue in terms of economic recovery.

There is every indication that whatever economic recovery might have been achieved could be dampened, if not stifled, by the ever-increasing taxation burden. I have already indicated the size of the increase which resulted from State Government action alone in the past year—over \$1 000 per household. Let us look at the broader picture of taxation in Australia which, of course, affects Western Australia in terms of both individuals and business.

In the past 18 months, three new taxes have been introduced: The bank accounts debits tax,

affecting every bank account in the State; the withholding tax, affecting a very wide range of business operations, providing an administrative nightmare, and, to add to the impact, a reduced cash flow in the community; and the financial institutions duty, taking approximately \$40 million from the pockets of Western Australians in the private sector and transferring it to the public sector. That is a pretty severe record for 18 months.

I do not suggest that those taxes were all introduced by the present Labor Government because I believe the bank accounts debit tax was introduced in the last of the Fraser Budgets. I am not here to score unsubstantiated political points against the present State Government or against the Canberra Government. I am seeking to raise an issue which relates to the employment of people in this State and to the capacity of people in this State to generate wealth through investment, growth, expansion and development which will provide jobs, particularly for the young people of the State.

As if three new taxes in 18 months were not enough to contemplate, there are no fewer than six new taxes under discussion in the public arena, and in relation to which taxes the State Government could make, or in some cases has made, an input. I refer first to the capital gains tax; not one word have I heard from the State Government in opposition to this tax. What will the capital gains tax do for Western Australia? In what way will it benefit Western Australians? In what way will it increase employment, investment, or profitability? No-one has yet suggested it will do anything of the sort in any area. I find it staggering that the capital gains tax could have been publicly advocated by two senior businessmen in this country. A report in *The West Australian* of 13 March commenced with the following statements—

Two prominent Australian business men and a leading member of Labor's left wing, the Minister for Defence Support, Mr Brian Howe, yesterday called separately for the introduction of a capital gains tax.

The business men, Mr A. W. Coates, the general manager of the AMP Society, and Mr B. N. Kelman, the general manager of CSR Ltd, made their calls in taxation papers prepared for an Economic Planning Advisory Council meeting.

It is a staggering proposition that the General Manager of the Australian Mutual Provident Society, which society has gathered together the savings of millions of ordinary Australian people who are in the main small investors, should be

advocating a Government take from those savings.

It is ironic that in the same issue of *The West Australian* the AMP Society ran a full page advertisement for investment insurance. It published a scale of returns showing what would be the net return compared with other returns in the event of investment insurance being taken out with the AMP Society.

I heard Mr Coates speak in Perth last year and it would be hard to find a more vigorous and articulate advocate of the private enterprise system. I am at a loss to understand how he and the General Manager of CSR Ltd could be seriously advocating the addition of another tax which will reduce Australia's capacity to get out of its economic mess. Are these gentlemen naive? I do not believe for one minute that they are. Do they seriously imagine that, with a Federal deficit likely to be in the order of \$10 000 million, the introduction of a capital gains tax would provide one jot of relief from any other form of taxation? It would not and it could not because our deficit situation is deteriorating. The introduction of that tax would not solve the problems; it would add to them because it would reduce the private sector's capacity to invest.

The second tax under discussion is the resources rental tax. Weeks ago the Opposition asked the State Government to publicly fight for the interests of Western Australia by vigorously opposing the introduction of a resources rental tax. Everyone in the industry and everyone who has studied the matter knows that the introduction of a resources rental tax would reduce exploration and the likelihood of discovery.

Mr Bryce: You have a lot of homework to do.

Mr HASSELL: At the same time, our Government has tacitly gone along with this and has not been prepared to represent the real needs of this State, a resource development State which has a greater need than any other—with the possible exception of Queensland—for exploration and discovery. Perhaps the Deputy Premier is suggesting by his interjection that he supports the resources rental tax.

Mr Bryce: He will give you chapter and verse in a minute.

Mr HASSELL: I can give the Deputy Premier chapter and verse on what the Treasurer said.

Mr Bryce: It is obvious that law is your background and not economics.

Mr HASSELL: The member's personal denigration of me, or his attempt at it, will not make any difference.

Mr Bryce: I am not seeking to denigrate you. I am highlighting the paucity of your argument.

Mr HASSELL: Only a couple of days ago, the Federal Minister for Resources and Energy (Senator Walsh) chided the State Treasurer for his remarks about the resources rental tax. Those remarks were mild and weak enough. They did not represent a defence of Western Australia's interests, and they were a very poor attempt to settle the concern of New York businessmen about the impact of that tax; but instead of the Treasurer of the State coming back on Senator Walsh and telling him in unmistakable terms that a resources rental tax would damage the finances of the State and therefore reduce the jobs available, the Treasurer said he could not recall making the remarks to the businessmen and could not think of any reason he would have made them.

Chided by a Federal Minister, he seeks to escape liability from their control in Canberra by saying he did not recall making the remarks. Presented with the unmistakable fact that the interests of this State would be better served without a resources rental tax, he tried to rely on a bad memory as an escape route for his failure to defend the interests of the State.

Even there he did not do it very well, because looking back at the record, one finds that the Treasurer's recollection of what he said was not accurate either. When he was in New York, he said very clearly and very distinctly that the Government was not enthusiastic about a resources rental tax. I quote from an extract from the ABC television news on Wednesday, 29 February, during which the Treasurer responded to a question from Jim Middleton in New York, as follows—

JIM MIDDLETON: The rest of Mr Burke's speech was more serious, with the Premier reassuring his audience that American business had nothing to fear from Australia's Federal and State Labor Governments. It was in answer to a question after this Address that he outlined his scepticism about the Resource Rental Tax.

MR BURKE: My quite frank view is that the tax is unlikely to be imposed as from July 1st. Although the announcement of its application has been made, I am sure that it is with much less joy that the National Government embraces the concept than it embraced it from the Opposition Benches.

That is what he said, yet when chided by the Federal Minister, who has no responsibility here, his response was that he could not recall making the

remarks, and, more particularly, he could not think of any reason he would have made them.

I can think of some reasons he would have made those remarks if he was fighting for this State, because the remarks could have been even stronger in their condemnation of proposals to introduce yet another tax on the resources and exploration industry and thereby reduce the capacity of this State to develop itself and to employ its people. It is a shame the Treasurer has not been prepared, with his Government, to take on Canberra on this issue and to spell out to Senator Walsh that the interests of this State require a lower tax burden, not a greater one.

We also hear a lot of talk about four other taxes. We know that the Federal Government is committed to a capital gains tax, and to a resources rental tax; but what is the State's position on a value added tax? What will that do, for example, to the housing industry in Western Australia? How will a value added tax, which doubles and in some cases trebles the tax burden on components of housing, assist that industry? It is a key economic industry on which we rely heavily for a build-up of employment opportunities. How will it affect the revenue sharing of this State on which the Treasurer and his Government depend for the expenditure that they want to make? What steps have been taken to protect the interests of this State in relation to that tax?

Members of the Government in this House have made it clear that they are personally in favour of death duties, and also, of course, flowing from that, gift duties. When will we have a firm and unequivocal statement from the Government that in its term of office no death or gift duties will be imposed? When will the Government acknowledge that there is substance to what the Treasurer himself recently said about how much the community can bear in taxation?

What about a wealth tax? That is a form of taxation under which the Government simply takes some proportion of one's net worth because it wants it. That form of taxation does not rely on any transfer of income or of capital, but simply takes a proportion of one's net worth because one has it and the Government wants it.

One can look through various Press cuttings in recent months and see that the Federal Government is itself in favour of a capital gains tax and other new taxes, and that the Federal Ministry is simply going quietly on these new burdens until their early election is over and out of the way.

I repeat that these increases in taxes and charges which this State has seen in the past 18 months in the form of six new taxes which are on

the drawing board are relevant to this State and its economy. There is an obligation on the Government of the State to establish a firm opposition to those taxes.

Mr Bryce: What about the double income tax which your Government dreamed up and for which it put the legislation through? Perhaps you have forgotten that one. It was double income tax.

Mr HASSELL: I am not going to answer a lot of interjections because I have a great deal to say and I could be kept here for hours.

Mr Bryce: I would need only a basic textbook on economics.

Mr HASSELL: I will answer that interjection by telling the Minister two things. The first is that I said at the outset that I was not pointing the bone exclusively at one individual on this tax issue. We have had three new taxes in 18 months, and six more are around the corner. Is the Deputy Premier prepared to say that he and his Government are opposed to all those six new taxes? Is he prepared to say that unequivocally and to do something about it? Is he prepared to go to his conference and say something about it on behalf of this State?

The second point in reply to the interjection of the Deputy Premier is that, contrary to what he has just said, we did not put the legislation through, so that part of what he said was simply inaccurate.

The total burden of taxation in this country 10 years ago—Federal, State, and local—took 32 per cent of the gross domestic product. Today it takes 44 per cent. That is the story of taxation about which we should be concerned. That is the story which answers the Federal Treasurer (Mr Keating) who said a few days ago that Australia's economic recovery could not be sustained because it did not have the necessary level of private sector investment.

Where is that private sector investment? It has gone in a massive transfer of private sector capital into public sector current account expenditure. The increasing levels of taxation are eating up our capacity to invest, as we pay for the current account expenditure of Governments, both Federal and State.

What Mr Keating said was right. There is a threat to our recovery, because we do not have enough investment, and that is because there is too much taxation. We will have too much taxation for at least as long as we have a \$10 000 million deficit in Canberra, and for at least as long as Governments in Canberra are allowed to proceed with six new tax ideas without challenge from a Government which has reason to be vitally

concerned about those taxes because of their impact on our economy and the employment of people in this State. If we put it in political terms, the colleagues of this Government in Canberra will drive the State Government out of office because of the Federal tax plans.

If for no other reason than that the Treasurer and his colleagues should be concerned about that, they should seek to persuade the Federal Government not just to put off the capital gains tax until after the Federal election, but to put it off for all time because we do not need it, we do not want it, and it will do damage. That is the tax position that we must take, not as a Liberal Party, a National Country Party, a National Party, or a Labor Party, but as people concerned that the very essence of our livelihood is being undermined by the transfer of capital from the private sector to the current account expenditure of the public sector.

We have made a commitment to repeal the Financial Institutions Duty Act in our first term of office, commencing with our first Budget. Equally, we have made the commitment that we will not replace it with other taxes. That will not be easy, and as I am determined that we will make no promises that we cannot fulfill, the commitment has been expressed precisely. Members can be assured that we will do just what we have said, and we will do it because we must begin the process of rolling back the tax burden across the board, if we are to return to the situation of full employment which can be achieved in this country and in this State.

I mention the subject of full employment because it has suddenly become a non-U discussion piece as far as the Federal and State Labor Governments are concerned. Not very long after the Prime Minister was elected, he started to talk, not about unemployment, which had been his constant theme before the election, but rather about structural unemployment, and how we would have to go on with unemployment for as long into the future as we could foresee. What is it about Australia that has changed so dramatically since the 1950s and 1960s that we cannot achieve full employment?

Mr Thompson: Labor Governments!

Mr HASSELL: Unfortunately it is more than that. It is just Governments. Our country still has a small population, with more development yet to be undertaken than all the development that has been undertaken in our history. Employment is a product of economic activity, and whether we can raise the level of that economic activity to a height at which it provides jobs for all our people

depends, in part, on the policies, and on the taxation policies in particular, of Governments. It also depends, of course, on overseas factors over which we have no control, and at least one of those overseas factors relates to our competitiveness. That goes right back to our wages, prices, and incomes policies. There is no reason that, again, we cannot achieve full employment in Australia. All that stand in the way, on a temporary basis, are our own wrong decisions.

That leads me to another important point about this State and the Government's promotion of it. The Government's priorities are wrong. They are wrong when the Treasurer does not attend a conference of his party which is talking about the development of a Western Australian industry which has the capacity to provide no fewer than 1 600 jobs, and then tries to excuse himself by saying that he knows nothing of any application to undertake that development. Of course, I am referring to Yeelirrie and to other uranium prospects in this State.

What is it about the Treasurer that he is not prepared to go into his own party's conference and fight for the interests of Western Australia? Even the Federal Ministers were there, trying to move the stubborn, narrow-minded left wing a little; but the Premier, who was elected a year ago on a jobs platform, was not even there. He was not prepared to make his contribution publicly, openly, and positively on policies needed for this State, the State he was elected to govern.

Let us come back to the point. At the time of the election, the unemployment figure was 65 900, in the following month the figure was 61 400, while the current figure is 71 200. The Government's policies have not produced any significant change. After one month, two months, or even six months, it might be said that the Government was hamstrung by other policies that it did not initiate; but, after close to 14 months, the Government does not have that excuse any more.

What we know for certain is simply that without resource development in this State, we will not make a significant impact on unemployment. If we cannot maintain the existing levels of export sales, whether they be for iron ore or gold—and some people are still talking about taxes on gold—if we cannot employ people in agriculture and in the new industries like uranium and technology, which has some openings, and if we cannot remove the burdens from small businesses, we will make no impact on unemployment.

What has the Government done about those matters? The small business sector which provides so much employment has been hit with tax in-

creases made by the State—there is a whole additional package made by the Commonwealth—of 25 per cent. They occurred in the Government's first year in office. The resource development industry has a party in disarray presiding over one key project with the potential to provide no fewer than 1 600 jobs. The Premier will not defend the interests of the State; he will not put forward the Western Australian point of view.

A uranium mine development is being undertaken in South Australia and I ask members: What kind of discrimination are we prepared to accept? Will we accept being told that 70 000 people in Western Australia must remain on the dole because an act of gross and unfair discrimination has been committed against this State without one word of protest being uttered by the State Government? When the Labor Party held a conference to discuss the issues, the Premier was not there.

Mr Laurance: We will just make sure it is recorded that when the Leader of the Opposition was talking about 70 000 people being unemployed, the member for Helena indicated it was boring to him.

Mr Gordon Hill: I will just correct that. I was talking to someone else.

Mr Laurance: When the Leader of the Opposition referred to the 70 000 people who were unemployed, the member for Helena said, "Boring". I am sorry to upset you so much.

Mr Evans: It was a comment on style rather than anything else.

Mr Bryce: When did you discover your concern?

Mr Pearce: They are the victims of nine years' of your Government.

Mr HASSELL: Yesterday the Premier managed to bumble his way through a long interview with Mr Maumill on this issue of uranium mining.

Mr Old: They were probably talking about horses!

Mr HASSELL: The transcript of the interview, as translated in this document, goes on for many paragraphs. Finally, Mr Maumill asked, "But where do you stand?" After three-quarters of a page of transcript of the Premier's comments, Mr Maumill finally got around to asking, in desperation, "But, Mr Premier, where do you stand?"

Mr Old: What a good question!

Mr HASSELL: So after Mr Maumill had asked whether Mr Hassell was listening because I had asked the question so many times—I still have not received an answer—the Premier said

this, "There is no question in my mind that the Roxby Downs proposition should proceed". Let us get that clear: The Premier at least believes that the uranium mine in South Australia should proceed.

Mr Laurance: Is that the South Australian Premier you are talking about?

Mr Watt: What about Yeelirrie?

Mr HASSELL: The Premier believes uranium should be mined in South Australia; but what about the State that the Premier was elected to govern? The Premier said this—

There is also no question in my mind that we do not want to be involved in any way in the nuclear cycle . . .

Only the Lord would know what relevance that has to the issue about which we are talking.

Mr Laurance: Their silence is deafening. You should give them a good slice of yellowcake!

Mr HASSELL: The Premier said, "Now, on that basis we don't need the industry in this country".

Mr Peter Jones: But we do need it in South Australia!

Mr HASSELL: The transcript goes on and on. Members should look at it; they should look at how much talking was done by the Premier. However, the Premier made only one clear statement which was that he believed in a uranium mine in South Australia, but he did not support the Western Australian proposition; he would not fight for it; he did not believe in it; and he did not bother to attend the conference of his party when the issue was discussed.

Mr MacKinnon: Nor does he bother to attend the Parliament when it is debated.

Mr HASSELL: The Government has much for which to answer in this area. Again today the Premier tried to say that he was not aware of any application for Yeelirrie to go ahead. I think he made that statement on the ABC news this morning.

Well, of course, there is no application; the Labor Government has killed that project. I shall refer to the statement which was made in that respect as reported in *The Weekend Australian* of 5 November 1983. A long section on Yeelirrie appears there and I will not read it all, but a portion reads as follows—

The Yeelirrie mine site is about 500 km north of Kalgoorlie. Western Mining Corporation spent about \$35 million developing the project and there was the possibility of a \$300 million town to service the mine.

But the company's negotiations with French and other European agencies were aborted by the Federal Government immediately after the March election.

Since then the mine site and its related Kalgoorlie research plant has been kept on care and maintenance until, to quote the WMC annual report, "the Commonwealth Government decides its policy on uranium mining and export".

The article goes on to quote further the remarks of Mr Keith Parry, a paragraph of which reads as follows—

Some companies have left the scene altogether but others persist. When Yeelirrie was scuttled, a bitter WMC director of operations, Mr Keith Parry said: "I can tell you with some feeling that the owners are extremely discouraged with the bloody-mindedness of vociferous minority Opposition and with Government shilly-shallying which has dogged the project since its discovery 13 years ago."

At no stage did the Premier or the Government attempt to protect for Western Australia this industry—this potential \$300 million investment which, according to the article, would be made in a town. The only clearcut statement the Premier has made is that he supports a mine in another State.

I shall refer to some of the expenditure being incurred by the Government and some of the claims made by the Premier when he introduced this Bill; but first let me say this: Last year when he came into Government, the Premier tried, over a period of months, to discredit the predecessors of the Government with claims about the deficit which he alleged was in existence in this State. Only one of those claims has been proved to be true; that claim was the one made by the Opposition to the effect that what the Premier said was wrong. However, this year the Premier has not released any information as to the likely Budget outcome.

Mr MacKinnon: I wonder why.

Mr HASSELL: What kind of standards does the Premier apply? What kind of approach is that? Is it the correct approach for the Premier, in the year he was elected to Government, to spend months conditioning the public, through the media, in an attempt to discredit his predecessors in respect of a Budget deficit using figures all of which were proved to be wrong and then, in his first year in office, to fail to release the figures from his own Treasury as to what the likely outcome will be? What kind of standard is that?

What kind of fairness is that when dealing with the public and the media?

On Tuesday, 3 April, the Treasurer knows full well just what the likely Budget deficit will be, yet he has not told anyone in the media or any of the public. We can only infer that it must be bad and that he is not prepared to face up to telling people how bad it is. Perhaps he is waiting for us to make a fuss about his not disclosing it so that he can disclose good figures. He has played that game before. Perhaps he wants us to build up the expectation that it will be very bad so that when it is known and it is not so bad, he will look good. He played that game last year.

Mr Bryce: You don't know which game he will play.

Mr HASSELL: No, I do not; but I will tell the Deputy Premier one thing: I am not playing the game with him on this issue. I am asking for a little bit of simple honesty from the Treasurer and from the Government. The Deputy Premier knows the estimated Budget outcome, so why does he not tell us now? The Deputy Premier will know the figure. At this time last year, the Treasurer and his colleagues were thrashing about that figure everywhere they went. Why cannot the Deputy Premier tell us now?

Mr Bryce: What about if I said that I think you will be pleasantly surprised?

Mr HASSELL: Why not just give us the figure?

Mr Bryce: All good things come to those who wait.

Mr HASSELL: That is pretty childish, is it not? One of the things the Premier said when introducing the Supply Bill was—

Every effort is being made to contain outlays to the amount appropriated by Parliament.

That simply is not accurate if we examine the facts. The Burke Government broke the wages pause in 1982-83 and thereby added \$4.3 million to the public payroll in that year, and that is giving the Government credit for all the offsets it has claimed it made. If we do not give the Government the credit for the offsets, the breaches amount to \$7.2 million.

The follow-on effect of those breaches of the wages pause for 1983-84 will be at least \$16.6 million, but more likely \$22 million. Those increases will, of course, be compounded by subsequent wage determinations. These are not figures I have invented, nor are they figures my research department has invented or calculated. These are the Treasurer's figures which he tabled

in this House last week in response to questions asked by me and by the Hon. Gordon Masters as early as July last year; and these figures he had cause to amend immediately after he had tabled them. I thank him for bringing them up to date and I understand that he will table the amendments today. But the breaches of the wages pause cost \$4.3 million last financial year and will amount to \$16.6 million this financial year. Is that containing the expenditures appropriated by Parliament?

From its very first day in office, the Government set about expanding public expenditure through the creation of new departments, a growth in staffing, salary upgrading of existing positions, the establishment of new programmes, and greater centralised control.

The Government has done nothing to demonstrate any determination to curtail public utility deficits. For political purposes, it is stripping the Metropolitan Water Authority of its reserves. It has budgeted a \$5 million deficit for 1983-84, meaning that it eats into the MWA's reserves of \$25 million accumulated over the previous three years.

The Government has expanded the public transport deficit through its decision to reinstitute the Perth-Fremantle rail service. The public transport deficit is estimated to be \$119 million. It is interesting to note that we have not heard any Dorothy Dix questions from Government members about the number of people currently using the Perth-Fremantle service.

Mr Old: Funny!

Mr HASSELL: It is not so funny because we are paying for it, and the figures are not good.

Let me quote now the second point made by the Treasurer in his Supply Bill speech, as follows—

On this point it should be borne in mind that the out-turn for the last Budget introduced by the previous administration was a deficit of \$14.6 million. This led to a deficit on our books of \$11.6 million being carried forward into 1983-84.

The Treasurer knows full well that no deficit was left last year. In fact, we left a substantial surplus. The Treasurer's blatant distortion of the truth over this matter, wilfully and persistently month after month and as recently as last week, does him no credit at all. I will trace through this matter because I want to place on the record once and for all the factual situation about the deficit.

There was no 1982-83 deficit other than a book figure of \$14.2 million, which was offset by the proceeds from the short-term investments of \$54.7

million. Given that some of those proceeds belonged to various departments and authorities, there was still a very substantial surplus at the end of the financial year in which we left office.

It was the Treasurer himself, when in Opposition, who persistently criticised the then Government for not actually using the earnings from the short-term money market in the year in which they were earned.

Mr Pearce: What was your reply to that criticism?

Mr HASSELL: The reply was that we took into account the earnings from the short-term money market at the end of the financial year. Those earnings covered any shortfall in the current account, and the balances were used to supplement the capital works budget, which provides employment. All that happened year after year—we wiped out whatever small deficit there was.

Mr Pearce: Every year you applied it to the following financial year, and in last year's Budget you wanted last year's and this year's together to cover your massive deficit.

Mr HASSELL: The Minister for Education is demonstrably wrong. One need only go back and look at the Budget papers and the amounts for the ending of the financial year 1981-82 to see that we did then precisely what was done in other years, which was to wipe off the small book deficit on the current account and to apply the balances to supplement the capital account—the public works expenditure—to increase employment. The Minister's Government did not start its term of office with a deficit, and he knows it. However, if the Government had started with that deficit and if its figure was correct, I have already pointed out that the book deficit was in substantial measure created by the Government's breaches of the wages freeze which added the burden in the year the Government took over. If the Treasurer's logic on this deficit business was correct, the Treasurer would say this also about Mr Tonkin's Government, because in 1972-73 he had a deficit of \$3.489 million, in 1973-74 a deficit of \$5.731 million, and in 1974-75 a deficit of \$9.133 million, making a total of \$18.353 million, equivalent to approximately \$40 million in today's money terms. What kind of logic would members of the Government say I had if I suggested that built into the Budget today was Mr Tonkin's deficit of \$40 million? That is just nonsense. It is also dishonest.

I want to go through the various points that have been raised where this information has been improperly used over and over again by the

Government in trying to discredit its predecessor. Let us run through them. There is a page-and-a-half of them.

Mr Pearce: I think you ought to run through the incredible number of promises that were made by your Government in its last days that were never met and for which no allocations were made. Start with the Perth Technical College.

Mr HASSELL: On 8 March, 1983, as reported in *The West Australian*, the Treasurer said that the Government was facing a \$30 million deficit. On 15 March the Government was facing a \$24 million deficit. On 10 May the Treasurer wrote to Ministers urging spending curbs. The letter claimed that the deficit would be \$32.3 million. He then said that the first run deficit for 1983-84 would be \$160 million. There was a tabling of increases in taxes and charges. That was reported in the *Daily News*. The next day, *The West Australian* reported the story, "Tax slump as freeze bites WA". In *The Sunday Times* of 12 June it is reported that the Treasurer sought ways of saving \$10 million, and that the inherited deficit was much higher than at first thought. What did the Premier first think the inherited deficit was—\$30 million?

He has now conceded it was, at most, as a book figure, \$14.6 million and yet early in June he suggested that the figure was higher than first thought. On 16 June, the Treasurer said that the State faced a deficit of \$30 million and that the Government sought to air an austerity package in the public media. That was reported in *The Australian*. Today, in early April, the Government will not tell the public of this State what the estimated outturn of the accounts for the year will be; yet in June last year the Treasurer was saying that the deficit would be \$30 million. The Treasurer knew then that the deficit could not, and would not, be \$30 million. It was no less than dishonest of him to do that; but never mind that. I will come to the point where he said it again last week.

Three days later, on 19 June, in *The Sunday Times* there appeared the following—

\$95 million Budget shortfall, why you will have to foot the bill.

On 18 June, *The Western Mail* reported, "WA slides deep in debt. Cabinet will meet to whip \$150 million off departmental spending". On 20 June, it is reported, "Ministers discuss deficit 83-84, shortfall \$200 million". On 20 June, was the state of the State address. On 21 June, "WA facing \$274 million task", and \$30.5 million deficit was claimed for 1982-83. That was in *The West Australian* and *The Australian*

Financial Review. On 21 June, the Treasurer was still claiming a deficit of \$30.5 million and he knew that the deficit would not be that amount, because I do not believe for one minute that his Treasury officers had not advised him that it would not, and could not, be anything near it. Furthermore, at that stage of the financial year, short-term Treasury earnings were over \$50 million. He knew there was a substantial surplus overall and it is no less than dishonest for the Treasurer to keep on with this kind of thing as he has done again and again and again, and try to turn into truth that which is a lie, when he knows it is not true and he goes on with it. He has never stopped repeating it and getting it published, and no-one has ever really effectively challenged him on it and said, "It is not true", and it is clear on the public record that it is not true.

On 21 June, the increases in charges were announced. The recent increases in charges and taxes have cost every Western Australian householder over \$1 056 this year. On 22 June, it was reported in the *Daily News* "Fat cats' pay axed by Burke, cost cutting measures for 83-84". In *The West Australian* of 23 June was the heading, "Savings in Government austerity package put at \$29 million".

All the Treasurer was doing was budgeting. It happens every year. It has happened every year since Government began. All departments put up their claims, their ambitions, their bids, their ambit claims, to put it in language that the Treasurer would understand, and the very task of the Government is to deal with them, to cut them back, to decide its priorities, to determine which will succeed and which will fail.

On 23 June, in the *Daily News* and *The West Australian* appeared the announcement, "\$50 handout for the needy costed at \$7.5 million". Another article appeared on 25 June, but let us get the sequence of events correct. On 21 June, the Treasurer is reported as saying that there would be a \$30.5 million deficit for 1982-83. Four days later, on 25 June, he said that the revenue shortfall for 1982-83 would be \$17 million. On 29 June, "More State cash vital, says Burke". On 3 July, "WA faces uphill run, Burke, tough Budget certain". That was in the *Sunday Independent* and *The Sunday Times*. On 12 July, the story finally came out in some measure of truth, although not the full truth "State deficit kept at \$14.2 million".

Is anyone in the Government prepared to say that the Treasurer in June did not know that figure or have a pretty good idea what it would be? Is anyone in the Government prepared to say that while the Treasurer kept repeating that there

would be a \$30 million deficit, he did not know full well that it would not be half that much? What kind of honesty is that? On 19 July, "New programmes cost \$20 million, cut by 70 per cent, Burke". On 25 July, "Government sets up Cabinet subcommittee to check capital works spending". That is part of the budgetary process. The headline in the *Daily News* on 19 August was "Burke Budget will be tough". Then we found, "Budget has \$61.8 million shortfall", and "Proposed spending on new programmes has been cut from \$18 million to \$4 million".

On 5 September 1983, *The West Australian* stated, "Budget will be tough. Departmental proposals cut by \$130 million". On 8 September, the newspaper reported, "Handouts scandal. Government faces a staggering \$180 million compensation bill for farmers. Senior Government officers say handouts are scandalous, and stunned the Labor Cabinet".

The drama of it all. Have we heard of it since?

Mr Old: Not a word!

Mr Davies: What was that you were quoting from?

Mr HASSELL: The *Daily News* of 8 September 1983.

Members may recall that we had a by-election, and what did the Treasurer do? He wrote to the Mundaring electors and quoted a \$30 million deficit legacy on 6 October 1983. Gross, deliberate, and calculated dishonesty. As if that was not enough, let us look at some other efforts and, in particular, at what happened last week, on 26 March, when the Treasurer opened the Roebourne Gaol.

Mr Bryce: You are much better when you are talking about gaols and knocking people in the welfare sector. You do a much better job—let us hear it.

Mr HASSELL: Peter Nichols filed the following report on Channel Seven on Monday, 26 March 1984—

Day three of the whirl-wind North West tour saw Mr. Burke first tell a decision-makers' conference in Port Hedland that Western Australians wouldn't have to suffer any big jumps in taxes and charges this year.

The Treasurer said the deficit at the end of the year would be considerably less than the \$30 million the Labor Party inherited when it came to power, because of the Government's investment in the Argyle Diamond venture. What absolute, unbelievable dishonesty! How many times will the Treasurer say that there is a \$30 million deficit when his own figures show that it is less than half

that, and when in truth there is substantial surplus? It is not as though they are figures someone else announced: they are from his own Budget, by his own announcement. That occurred last week.

Let us consider a bit more dishonesty from Government sources. The member for Joondalup issued a statement to all her electors in a nice pamphlet with an attractive picture of the member on the front page. The pamphlet contained many claims, but let us consider one in particular. I will say nothing about the others about which I do not know any detail; however, I do know about this one. It read as follows—

As your Member for Joondalup my most significant achievements include:

The opening of the Wangara Fire Station.

Is there any standard of honesty left?

Several members interjected.

Mr HASSELL: The Wangara fire station was instituted by me, as Minister, after representations from the local members Mr Nanovich, Mr Crane, and Mr Wells. It has absolutely nothing to do with the current member for Joondalup. That is to say nothing of the other claims that are made in this document which the member for Joondalup distributed to her electors. That is dishonest, just as the Treasurer's repeated claims are dishonest.

The Minister for Minerals and Energy spoke about the Instant Lottery in terms which implied clearly that the Instant Lottery was an invention of the current Government. *The West Australian* of 21 March, 1984 ran the heading "Govt firm on TAB surplus". The newspaper quoted Mr Parker as saying the following—

Despite the firm stance on TAB revenue it is opportune to mention some of the initiatives developed by this Government in an effort to provide more assistance to non-gambling sporting bodies and organisations, he said.

I do not think Mr Parker set out to be dishonest—I hope he did not—but the members of the Liberal Party happened to have been the people who introduced the Instant Lottery; and the present members of the Government happen to be the people who limited the amount of money from this lottery that would go to support the arts and sport.

Mr Bryce: You are turning the supply debate into a grizzle debate.

Mr HASSELL: I will deal with the areas I wish to deal with, and I will not deal with the things with which the member wishes me to deal.

I am not trying to make his life more comfortable. I am dealing with the lack of honesty of the member's leader and Government. He should be concerned about this because there ought to be some standard of honesty. However, it is apparent that there is none.

The Government has an obligation to apply some standard of honesty and the repetition of dishonest statements by the Treasurer about the previous Government's Budget must be challenged, and the record has to be put straight. I do not mind if it will bore members, and I do not mind if they do not like what I say.

The Treasurer has made repeated statements to the effect that the Opposition should make a submission to the Seaman inquiry on Aboriginal land rights.

Mr Bryce: This is where you will start to warm up. This is perhaps close to the real Bill

Mr HASSELL: Over and over again, when the Treasurer and his Ministers have had nothing else to say in response to our submissions and statements to the public—

Mr Gordon Hill: You have not made a submission to the inquiry.

Mr HASSELL: I did not say I had made a submission to the Seaman inquiry. Cannot the member understand simple English?

Several members interjected.

Mr HASSELL: We made the position clear at the outset that we would not make a submission to the Seaman inquiry, because its terms of reference were loaded and the inquiry was directed to reach a conclusion, one which is completely opposed to the position we have adopted. Members have only to read the terms of reference of that inquiry to know that what I have said is correct. Those terms of reference are loaded, yet, over and over again, the Treasurer has said, "Why don't you make a submission?" The Minister has said, "Why complain? Why don't you make a submission?" They know full well that the terms of reference do not leave any room for us to make a submission. As if we needed any proof of that—we have it anyway, because when we consider the April 1984 edition of the *Anglican Messenger*, we note the heading, "Seaman meets Church group". The article states—

Fifty members of Perth's Anglicans Concerned for Aborigines group had a meeting last month with Paul Seaman QC, Chairman of the Land Rights Inquiry.

It continues—

Mr Seaman pointed out that the issue was not whether there should be land rights—the

Premier had personally committed himself to this—but rather how best to find a just resolution to the question.

He spoke movingly of the role of land in the life of Aboriginal people; the spiritual and mystical ties between them.

He repeated the words of one Aboriginal elder he had spoken to:

"How the drill from a mining company entering the earth was, in some deeply felt way, entering his own bowel."

Would any member of the Government tell me how the position expressed by the land rights inquiry leaves or ever did leave any room for anybody to make a submission in opposition to land rights, apart from the terms of reference that bind the inquiry?

Today's newspaper contains an article which deals with that very question. The newspaper has included a comment to a letter to the editor on the Seaman inquiry into land rights—it is to be commended for doing so because it deals with the Premier's and the Minister's misrepresentation of the Opposition's submission. The comment reads as follows—

Mr Paul Seaman, QC, in his discussion paper released in January, said that the first term of reference was: "Specifically the inquiry shall consider the most appropriate form of title over land reserved for the use and benefit of Aborigines or leased for Aboriginal communities."

He also said: "A few submissions amount to little more than opposition to the holding of the inquiry or the implementation of a scheme of land-related measures for the benefit of Aboriginal people, and the persons and organisations who made those submissions will appreciate that there is no point in our spending time together to enable them to repeat that material."

Only a few days ago the Premier once again attacked the Opposition on this issue. That is a repetition of misrepresentation in an attempt to turn it into the truth. The Premier said to the Opposition, "Why don't you make a submission, because Mr Seaman will consider it?" There it is in black and white from two sources using Mr Seaman's words, "the committee of inquiry is committed to land rights and there is no room for a submission".

Mr Brian Burke: I think I attacked you for being an extremist.

Mr HASSELL: I give members another example of the Government's dishonesty because

it is time it accounted for its dishonesty; it is as simple as that.

Mr Bryce: Are you reading from the Anglican newspaper.

Mr HASSELL: No, I am not. I am reading an extract from *The West Australian* newspaper of Friday, 17 June 1983, under the heading "New press aide plan", which reads as follows—

THE WA Government will introduce a pool system for its ministerial press secretaries.

It is proposing to abandon the system used by the Court and O'Connor governments to appoint a press secretary to individual ministers.

The previous Government had about 16 ministerial press secretaries. The Burke government will be down to 10 by next month.

The press secretaries are due to meet the new Director-General of the Department of the Premier and Cabinet, Mr Bruce Beggs, today, when details of the pool system will be outlined.

Let us look at the Government's Press pool or its media corps. I will name the officers one by one in order that we can identify that deliberate misrepresentation. They are as follows—

Name	Advisory Function	Attachment
1. Nigel Wilson	Director	Premier
2. Baden Pratt	Director	Premier
3. Ron Barry	Press Secretary	Premier
4. Derrick Flynn	Special Projects	Premier
5. Barry Bursill	Speech Writing	Premier
6. Peter Kennedy	Press Secretary	Deputy Premier
7. Graeme Green	Press Secretary	Mr Dans and the Minister for Water Resources
8. Win McNamara	Press Secretary	Attorney General and Minister for Works
9. Trevor Fisher	Press Secretary	Minister for Local Government
10. Peter Rosendorff	Press Secretary	Minister for the Arts and Minister for Employment
11. Richard Grant	Press Secretary	Minister for Agriculture
12. Zoltan Kovacs	Press Secretary	Minister for Education
13. Tony Noakes	Press Secretary	Minister for Health
14. David Gladwell	Press Secretary	Minister for Health
15. Tom Mackay	Press Secretary	Minister for Transport
16. John Hudson	Press Secretary	Minister for Transport
17. Darcy Farrell		Minister for Housing
18. Don Rowe		

I am referring to honesty, to what this Government says, and to what it does over and over again. I have quoted what the Government said in *The West Australian* newspaper, and to the best of my knowledge that has never been denied; yet we still have that situation and the number of the media corps has not been reduced.

The Opposition has calculated the cost of the Government's advisers. I will not read out a list of them to the House, but, of course, I could if it were necessary. However, I will refer to the cost of the Government's advisers, which has been accurately costed from public information. Of

course, we may not be precise in these figures because we have had to rely on the information that is available publicly, and the Premier has not been prepared to update completely the schedule which he published last year, and I can understand why. I have a list of Government advisers which covers 3½ pages and shows that the annual wage cost is now estimated at \$1.5 million or, to be precise, \$1 490 000. With wage oncosts, backup staff, and contingency costs, a total of \$2.5 million would undoubtedly be a conservative figure. Those figures do not include the politicised Public Service appointments that have been made by the Government. The wages cost of the Government media corps alone totals \$557 792. For the sake of accuracy, I make it clear, in respect of the list of advisers and the list of media corps, that we have a doubling up in two cases because two persons are employed in both areas. Therefore, there is a degree of inaccuracy to that extent; and I would not want to say anything that is inaccurate.

I have spoken about the cost of the breaches of the wages pause in the current year. The breaches of the wages pause which the Government agreed to from the time it came into office until 30 June last year will amount to more than \$16 million.

I want to refer also to the cost of public opinion research undertaken by the Government. On 30 March, the Treasury was kind enough to reply to me with information on questions I asked in October last year relative to the cost of Government opinion research. It is a very interesting letter because it gives me considerable detail in all the attachments of surveys conducted by the Department of Agriculture in relation to the Lamb Marketing Board referendum consumer and retailer attitude to gold brand meat; and evaluation of farmers' use of departmental publications conducted by the Department of Agriculture, and substantial surveys conducted by the Metropolitan Transport Trust.

With regard to question 1743, the Treasurer advised me that the office of the Minister for Health advised him that—

(a) two surveys were undertaken on smoking by R. J. Donovan and Associates Pty. Ltd. at a cost of \$3 950 each.

There were two of them, so the cost is \$100 short of \$8 000 for two surveys related to smoking. Were they really related to smoking? Rather, were they not related to the Government's popularity and the stance it took? Were they not related to the kind of advertising on which the Government wanted to spend the taxpayers' money to counter the adverse effects of its own programme to ban smoking advertising?

A further survey was conducted by Chadwick Martin Consultants Pty. Ltd. at a cost of \$1 600. I received, interestingly, no detail on the smoking surveys. I have a great bundle of papers amounting to at least a dozen pages which give me all the detail of other surveys about gold brand meat, and so on. I have lots of information about them including the questionnaires, and, in one case, the results. But when it came to the question of smoking I was told—

Because this series of surveys is incomplete and the publication of the data may affect the response in future surveys, this latter material cannot be made available.

I think a much more sinister reason exists for the material not being made available. It is clear the two surveys undertaken by R. J. Donovan & Associates Pty. Ltd. are complete and are not ongoing surveys. I would have been prepared to concede that it was perhaps not desirable to release at this stage a survey which was not complete if that is the case with the survey by Chadwick Martin Consultants. I do not concede that the Government's stated reason for refusing details of the surveys by R. J. Donovan & Associates is genuine. The real reason is that the Government would be embarrassed by the material, both the questions and the answers.

The fifth item on my list relates to that point in the Treasurer's speech when he said he was going to contain or had been seeking to contain the cost of Government. Let us look at the question of assets and the sale of the Girrawheen land. The question still has not been answered as to why the Government gave away \$750 000 of the taxpayers' money. I am sorry, I mean the Leeming land.

Mr Brian Burke: You cannot even get your locations correct. You are having a lot of trouble today Bill; you are double counting and giving wrong suburbs. Not too good, but carry on!

Mr HASSELL: On 14 March, *The West Australian* reported that the Government sold the land at Leeming by tender for \$3.5 million. It is 13 kilometres south of Perth near the Bull Creek shopping centre. The paper says the tender was accepted by the Minister for Housing (Mr Wilson). I have in my possession a copy of a formal document of offer on land from another company. The offer for the purchase of that land was \$4.260 million, over \$750 000 more than the Government received in the deal it did.

Mr Thompson: Three-quarters of a million of the taxpayers' money.

Mr HASSELL: It would otherwise have been available for badly needed welfare housing. Why

would the Government have done that deal? Why has not the Government explained its giving away of \$750 000 of the taxpayers' money? The formal offer indicates that the company which made it would be prepared to develop 200 lots by 31 March 1985. In addition, the company would deposit bonds as required and would give a "firm commitment"—and those words are underlined in the offer document—that no fewer than 100 houses would be completed or under construction within 12 months of the date of the issue of all titles in stage 1 by the Land Titles Office.

The offer accepted by the Government provided for 150 houses to be completed or under construction within 12 months, so there was a difference of 50 houses. The \$750 000 extra that the Government would have obtained from the higher tender would have built 20 of the 50 houses in the ownership of the State Housing Commission. This must be the Treasurer's new plan for assets management—

Mr Rushton: Assets stripping!

Mr HASSELL—"We will get rid of them!"

The third quotation from the Treasurer's speech in introducing the Supply Bill was—

Suffice to say that the Government faces no easy task in responsibly framing the 1984-85 Budget.

Any difficulties which the Government has are largely of its own making.

Mr Brian Burke: I did not say that.

Mr HASSELL: I am not saying that the Premier did; I am saying it.

Mr Brian Burke: I knew I would not say anything as silly as that.

Mr HASSELL: That would not fit in with the media presentation or the repetition of untruths to establish them in the public mind as truths. We have seen a substantial wasteful expenditure.

Mr Barnett: We are waiting impatiently for this extremely important announcement.

Mr HASSELL: We have seen an increase in wages during the wages pause which the Government supports. In the next financial year it will cost the Government an extra \$270 million to employ Government employees of all kinds, without adding one extra member of staff. The Government has contributed to that materially and substantially by its approach to the wages pause, by its support of wage increases, by its adherence to the centralised system—

Mr Brian Burke: You would break away from that, would you?

Mr HASSELL: Centralised wage fixing is a subject we will debate—

Mr Brian Burke: You would break the accord?

Mr HASSELL: Mr Speaker—

Mr Brian Burke: You cannot answer a question when it is posed.

Mr HASSELL: I will not answer a question like that when it should be debated thoroughly. I will deal with the question at the proper time.

Mr Brian Burke: Do you support the accord?

Mr HASSELL: Government supports expanded outlays in numerous areas, but more particularly it adopts an attitude which represents a substantial lack of concern for the public purse and the public liability. The Premier took his driver on his overseas trip, but in answer to a question he said he did not. It does not matter what the man is called; he drives the Premier around.

Mr Brian Burke: So does my wife sometimes. When will you learn you cannot attack people in that way and get any support?

Mr HASSELL: I am not attacking anyone but the Premier.

Mr Brian Burke: It is because of spleen; lack of sensitivity.

Mr HASSELL: I am not attacking anyone but the Premier, and he knows it. I am attacking his incapacity to exercise reasonable restraint with taxpayers' money; I am attacking his lack of capacity to defend the interests of Western Australia; I am attacking his lack of courage in failing to attend his own party's State conference and fight for the interests of this State; I am attacking his lack of courage in dealing with the Commonwealth over the resources rental tax; and the Premier knows it. He will not avoid the attack by irrelevant interjections.

Mr Bryce: The second time around it sounds a little more convincing!

Mr Brian Burke: It is still pretty boring.

Several members interjected.

Mr Brian Burke: Is this the alternative to capital punishment? He will bore us to death.

Mr Clarko: Are you instructed to laugh at his jokes?

Mr HASSELL: If the Government wants to achieve its own objectives, it had better look to its own performance, because what it has done to this State is the direct opposite to what it claimed prior to the last election. It has not had the strength to control expenditure, or to balance the Budget without increasing taxes and charges. It has failed to defend the State's interests, although

it has raised a lot of hot air about how it is doing so. The Government would not defend the State over the Franklin dam; it will not defend the State over uranium mining.

Mr Brian Burke: Did you hear what Mr Parry had to say about uranium and about shillyshallying?

Mr HASSELL: I not only heard it, I also quoted it a little while ago.

Mr Brian Burke: Twelve of the years of shillyshallying were yours.

Mr HASSELL: We never killed-off the project.

Mr Brian Burke: You kept it on ice for 12 years.

Mr HASSELL: We did everything to encourage it. It is interesting that the Premier should raise this quote, because the part referring to shillyshallying was a long and careful process which the Fraser Government went through to establish acceptable standards of safety for uranium, to conduct the Fox Royal Commission, and to ensure that the non-proliferation requirements would be met, and further to establish Australian consensus on the need to mine and to export our uranium. Mr Fraser achieved all those things, and this Government destroyed them.

Mr Brian Burke: Are you comfortable?

Mr HASSELL: It is always more comfortable watching football than fighting for one's State.

Mr Brian Burke: I was at a non-proliferation SALT treaty talk.

Mr HASSELL: The biggest issue which will face this State in the immediate years ahead will be the level of taxation. That level has now reached proportions where the necessary investment for jobs and employment will not and cannot be met. The transfer of resources from the private sector to the public sector is proceeding at such a pace that the State will be inhibited in its development and in its employment unless the Government is prepared to join the stance which the Opposition takes about the whole system. It should be a little more than simply Labor versus Liberal, or Labor versus Liberal-NCP; it should be about preserving the private enterprise system which the Premier has acknowledged is the sector from which the wealth and the jobs will be created. There is no other sector which produces wealth.

The Government sector simply absorbs and spends it. There is a simple equation which tells the story. It is an equation which ought to be publicised by every Government and every Opposition.

Yesterday's profits are today's investments and tomorrow's jobs. If we do not get this whole country back to a situation of profitability, if we do not get back to a situation in which the manufacturers and the farmers can survive effectively, through wages policies which are related to profitability and not to the Consumer Price Index, if we do not break down the burden of tax, we will not create the wealth which we need to give our children jobs.

MR BRYCE (Ascot—Deputy Premier) [4.39 p.m.]: At one stage during the course of this debate the Leader of the Opposition's supporters left the Chamber in droves.

Mr MacKinnon: To get afternoon tea, I suppose.

Mr BRYCE: After passing through the phase of being tired and sleepy, they became quite bored. What we were looking for was simply an opportunity in the forum of our Parliament to respond to some of this nonsense—

Mr MacKinnon: Do they not support your side?

Mr BRYCE: —and put it away where it should be.

Mr MacKinnon: Centre left or centre right.

Mr Bryce: What we were looking for today was some sign of this new, revitalised Opposition, but we were all utterly disappointed. It had to be the dullest, most dragged out, uninteresting examination of some of the things which are nearest and dearest to this man who is on the extreme edge of the political spectrum.

Mr Blaikie: The ALP is in political chaos while the Treasurer goes to a football match!

Mr BRYCE: The sort of material the Leader of the Opposition chose to discuss in this very important speech was pitched at traditional Liberal Party supporters, thousands of whom have deserted the Liberal Party. At this stage of my comments, perhaps I should give a little word of warning to the Leader of the Opposition to the effect that, if he persists in this vein, there is nothing about that sort of speech, that sort of presentation, or that sort of material either in this place or publicly that will bring those Liberal Party supporters back to the Liberal Party.

The difficulties Western Australia is experiencing at this time can be attributed to the backwash of nearly a generation of Liberal-National Country Party coalition Government and it will take a new Government slightly more than a few months to turn around a very dangerously unbalanced economy.

Several members interjected.

Mr BRYCE: Let us examine the legacy which was left by the previous Government. You, Sir, must be perturbed by the sounds of this mob, because it pains them to be reminded—

Mr Thompson: It pains us to listen to you!

Mr BRYCE: —that the mess we inherited was a mess of its making.

Mr Clarko: And you made it worse.

Mr BRYCE: Between 1959 and 1983—

Mr Clarko: There are 70 000 unemployed now as against—

Mr BRYCE: —apart from a period of three years, the guilty men who sit opposite are those who must carry the responsibility for the mess.

Let me respond to the question of unemployment which members opposite have suddenly discovered affects the strings of their hearts.

Mr Williams: You are a mad raver!

Mr BRYCE: In 1974, when the Liberal Party went back into office—

Mr Clarko: We have the highest unemployment in Australia.

Mr BRYCE: —there were 7 500 people out of work in this State. During its second term of office, after a period of nine years—by the time the second generation of Liberals in that sense had had their go—between 1974 and 1983 the level of unemployment in the community had escalated from 7 500 to over 60 000. Now where are the brave faces which are going to say, "This level of unemployment is disgraceful. It is a new thing!"?

Mr Clarko: What about Whitlam—100 000—

Mr BRYCE: Members opposite have the temerity, the intellectual inconsistency, and the absurdity in this argument to suggest that State Governments alone are responsible for the level of unemployment in this community—and we have discussed this issue on countless occasions in this House. Members opposite know as fundamentally now in 1984 as they knew during the period the Liberal Party was in office in 1982, 1980, 1978, and 1976, that it is not the responsibility of a State Government alone and never has been. Members on this side of the House have never suggested that it was.

Mr Clarko: But you did not say that when you sat over here, did you?

Mr BRYCE: Of course we did and on countless occasions.

Mr Clarko: You denied that the world economy played any part in it.

Mr Hassell: You had all the answers 12 months ago, but now you have all the excuses.

Mr BRYCE: Listen to the gibes! Members opposite have discovered that 70 000 people are out of work, but when there were 65 000 people out of work 12 months ago, they could not have given a darn.

Mr Old: What are you doing about it?

Mr BRYCE: As a result of the actions of members opposite during that second period they were in office, that level of unemployment grew fourfold or fivefold.

Mr Bradshaw: What have you done about it?

Mr BRYCE: I can give the member a list of approximately six specific items if he gives me the opportunity. By the time the previous Government was forced out of office, Western Australia had developed an economy that was about as balanced as many third world economies. All our eggs were essentially in two baskets and two baskets alone—they were the agricultural sector and the resources development sector. They were the two sectors upon which our economy was based for generations.

Such was the preoccupation of the men opposite who were in Government during that period with the tonnage mentality alone that, by the time they had had their go, Western Australia's economy was painfully, if not dangerously, unbalanced.

Several members interjected.

Mr BRYCE: They had shamefully neglected the small business sector. It was only in the last year or two of their term in office that they discovered the small business sector.

Mr Hassell: Do you know that 1 850 trade unionists lost their way to Parliament House this afternoon? A total of approximately 1 850 trade unionists lost their way! There was only a tiny group out there. What about the 2 000 unionists who were going to demonstrate here in support of the industrial Bill?

Mr BRYCE: It may come as no surprise, or perhaps as some surprise, for members opposite to know that the Deputy Premier had nothing to do with the arrangements to "rent a crowd"!

Mr Old: Another big success story!

Mr BRYCE: It had nothing to do with the Deputy Premier. If it had had anything to do with me, I can assure members opposite there would have been a vastly different result, and a significant sense of purpose would have been attached to the men who arrived there.

Shameful was the neglect of members opposite! They only discovered the small business sector existed in about 1981. The theory of members opposite prior to that time was, "Let her rip!" Their theory was, "Let the laws of the jungle prevail and if the resource development projects fall into place, there is no need to do anything about the other sectors of the economy". Of course, we finished up in the position where we are now one of the most vulnerable economies in the world. We are vulnerable because the resource and agricultural sectors from time to time both suffer disastrous downturns as a result of world trends totally beyond the control of anybody in Western Australia.

Mr Hassell: You would be better off if you made your technology speech.

Mr BRYCE: I can assure the Leader of the Opposition that my contribution in response to his will not be as long, because I recognise, as do all my colleagues on this side of the House, that there is very little substance to which to respond.

However, some of the attitudes of the Leader of the Opposition require a little response and it is worth reminding the people of Western Australia that this newly arrived Leader of the Opposition—the great white hope of the extreme right-wing of the Liberal Party in Western Australia—delivered up today what typifies the tonnage mentality of the sixties and seventies. Unfortunately, this man is only one decade too late. Like most of the matters which were touched on by the outgoing Government in the fields of technological and small business development, it was a matter of being too little too late. The Leader of the Opposition has demonstrated today that those subjects to which he loves to cling—those things which really warm him up—are the issues of the sixties and seventies.

He has not yet realised that Western Australia in the 1980s is a very different place, and in the 1990s the attitudes, the policies, and the approach to government that he exhibits would be simply inappropriate and in fact irrelevant.

Let us touch on the Leader of the Opposition's references to taxes. He demonstrated to the House today that somebody had given him a copy of a basic economics textbook, and we were treated to what he can proudly call his almanac of taxation. He talked about capital gains tax, resources rent tax, value added tax, death tax, gift duties, and wealth tax, none of which is the responsibility of the State Government. The leader sought out the bogey man; he wanted an excuse to go on an excursion. He sought to prove to members of this House that he knew something about

taxation. Was it not passing strange that he did not talk about the concept of new federalism? How strange it was that he simply omitted the question of double income tax—how he and his colleagues who now sit on the front bench of the Opposition of this Parliament deliberately contrived to bring about a system of income tax in this country and certainly in this State that would have seen Western Australians paying income tax to the State Treasury as well as to the Federal Treasury. They went within a hair's breadth of introducing that system and it was only because the former Premier found that he was without a single ally in the nation that the system was never imposed upon Western Australians. What a monumental disincentive that would have been for people to come to Western Australia—

Mr Court: Tell us what is happening in 1984; come on!

Mr BRYCE: —to invest their savings.

Mr MacKinnon: Nothing.

Mr BRYCE: The Leader of the Opposition theorised about every bogey man that has ever been introduced in respect of taxation in this country—arguments that go back 20 or 30 years—and yet he and his colleagues sitting opposite sat around in the back rooms of the Liberal Party and planned in great detail a system of double income tax for Western Australia.

Mr Cowan: Tell us about it.

Mr BRYCE: What a hide he has, after a few weeks as Leader of the Opposition, to dredge up these fanciful threats about six different taxes, all of them the province—

Mr Hassell: Which ones do you support?

Mr BRYCE: —and the prerogative of the Federal Government.

Mr Hassell: Which ones do you support?

Mr BRYCE: Like the good old average taxpayer, I do not support any tax.

Mr Hassell: You oppose them?

Mr BRYCE: I would like to see us being able to govern without any taxes. There is no doubt whatsoever that the system of government at this level and the national level involves a system of taxation which is unfair and inequitable. I can assure members sitting opposite that by the 1990s when we have enjoyed our third term in office, we will have sorted out the problem. We will have established justice, fairness, and equity in the system of taxation.

Several members interjected.

Mr BRYCE: When the new leader of this "to be revitalised" Opposition was elected to office he

decided that his first mark would be the Perth Chamber of Commerce (Inc.). Off he did trot to a meeting or two at the Perth Chamber of Commerce, and as Leaders of the Opposition of the rather conservative mould are wont to do, decided he would promise the business community that this particular form of taxation would be eliminated. He went to a meeting of the Perth Chamber of Commerce and subsequently wrote it a letter which was specially prepared for publication, stating that a Government which he led would abolish the FID tax.

Mr Court: Would you do that?

Mr BRYCE: Let me finish and I will tell the member. We may even have some surprises in store for the Opposition on that subject too. What the member is finding so frustrating is that he is not exactly sure when we are going to do it, where we are going to do it, and what we are going to do.

Mr Clarko: You will make another blue.

Several members interjected.

Mr BRYCE: We have an intellectual and political flexibility that disarms members of the Opposition.

Mr Clarko: The flexibility of a fool!

Mr BRYCE: This leaves members of the Opposition absolutely flailing. The Leader of the Opposition set himself the task of currying favour with the Perth Chamber of Commerce, and he made a promise that if he ever became the Premier and led a Government, he would abolish FID as a form of taxation. This happened within a week of announcing to the people of Western Australia that he did not really care about winning the next election; all he really cared about was instilling some credibility into the body politic in Western Australia. All he did when he went to the Perth Chamber of Commerce and promised them that he would eliminate the FID tax if he ever became Premier and Treasurer was ironically, to forget to tell them. This man is seeking to establish his own credibility as well as that, presumably, of the profession of members of Parliament in this State; and yet he forgot to tell the Chamber of Commerce from where he would get the \$38 million to replace the FID tax. That did not matter. He just decided he would promise, with his lack of credibility—

Mr Mensaros: Why do you have to have it? You could have a smaller Government.

Mr BRYCE: He just omitted it. It is no use the senior statesman from Floreat helping him out in the Chamber with a suggested answer.

Mr Hassell: You got his description correct.

Mr BRYCE: The Leader of the Opposition just forgot to do it. He did not realise that as the leader of an alternative Government it is part of his responsibility to be a little constructive and a little positive, while indulging himself in the art of destruction.

If members opposite are seriously concerned about the question of unemployment, they will recognise that the Australian economy, and certainly the Western Australian economy, is currently going through a period of very significant restructuring. That period of restructuring has been occurring now for between five and eight years. It is not only occurring in Western Australia; it is also occurring in other parts of this country and certainly in many other parts of the world. It is true to say that the world's economy that emerges from this recession, hopefully in this next year or so, will be a very different economy from the one which sank into recession four or five years ago. During the period of the massive downturn in demand on world markets for the commodities which we sell from this State to world markets—

Mr Court: But there is an upturn in the world economy, and yet this State goes down.

Mr BRYCE: —that upturn is occurring, and it is quite fragile. Some of the knockers sitting opposite—

Mr Court: Did you see the problems Mt. Newman is having with industrial disputes discussed in the paper tonight?

Mr BRYCE: —are not doing anything to aid and abet that recovery. For reasons of simple spite with the electorate because they have been transferred from this side of the House to that one—

A member: Did you see what McNair Anderson said?

Mr BRYCE: —they are doing their darndest to throw cold water on the recovery when they know how fragile the psyche of that recovery can be.

Mr Bradshaw: What have you done about strikes in Western Australia?

Mr BRYCE: The restructuring which is occurring is causing fairly considerable pain within the economy because it is occurring at a time of recession and downturn. It is in fact exacerbating the effects of unemployment. What we on this side of the House found quite extraordinary to listen to coming from the mouth of the Leader of the Opposition was his new-found, so-called, sincere concern for the unemployed.

Remember the Leader of the Opposition, in the dying days of the O'Connor Government, was

given the job to perpetrate the great hoax of the 1980's—the great hoax called "job bank". Somebody in the backroom of the Liberal Party dreamed up the idea in its last days because the situation was becoming serious and it could no longer ignore it. Therefore, it set its sights upon "job bank" as the basis of its hoax—one hell of a genuine hoax. When we arrived in Government, there was absolutely no structure of Government being put in place to provide substance for what was presented to the public as the beginning and the end of solutions for unemployment in Western Australia.

The previous Government and the Leader of the Opposition, as the Minister responsible in those dying days of toryism, set a new standard altogether in this State in respect of how much money the Government would spend on promoting the Liberal Party's position at election time. Countless thousands of dollars were spent to promote this man and this scheme—a scheme that even the newspapers of this State referred to as hoax number one. That was the hoax on which this man who now in 1984, having discovered the significance of unemployment in this community as an issue, has decided that he will turn his back. What the Leader of the Opposition and so many of his colleagues are finding difficult to live with is the reality that the new Government of Western Australia is handling the task of governing this State extraordinarily well.

Mr Clarko: You have put unemployment and wages up.

Mr BRYCE: It galls the Opposition, and it galls them even more that some of their most outstanding traditional supporters are saying this.

Mr Hassell: I can tell you which quote you will use.

Mr BRYCE: Which one will I use?

Mr Hassell: Go on; it is yours.

Mr BRYCE: I am delighted to say for the sake of the record, that I have at least brought a smile to the face of the Leader of the Opposition who has been so dull and uninteresting all day that we thought he was unable to crack a smile.

Mr Hassell: Go on; quote it.

Mr BRYCE: What does concern members of the Opposition so much is the entrepreneurial flair and the skill with which the Premier of this State is handling his responsibilities as Treasurer.

Mr Hassell: Whose is it?

Mr BRYCE: I am talking about the Treasurer. He is leaving the Opposition gasping for air and the amazing thing is that the commercial and business sectors of this capital city and of the

State of Western Australia are pleased to see precisely how things are shaping up. They know that as a result of careful management of this State's economy in the last 12 months we are now poised to take advantage of the upturn.

I know that the Leader of the Opposition is dying for me to draw to his attention the testimonial provided for the Burke Government by that very famous Western Australia, Sir Laurence Brodie-Hall.

Mr Peter Jones: Have you discussed it with him?

Mr BRYCE: I was present at the meeting with him when he said it. The meeting was held in Colliie and he was responding to a speech I had made to the School of Mines. I do not know whether that galls the member for Narrogin, but it puts it in the right context. It was reported in *The National Times* of 16-22 March 1984 as follows—

At a meeting of the WA School of Mines advisory council, Sir Lawrence Brodie-Hall—former senior executive of the Western Mining Corporation—made some remarks that would have been heretical for a pillar of the big business establishment not too long ago.

This is a quote which I thought the Leader of the Opposition would like to savour and consider and to use as a basic source of judgment against which he can measure the more extreme conclusions he has from time to time of the tremendous job which the Western Australian Government is doing.

The article continues—

He described the members of the Burke Government as young, dedicated, hard working ministers—

Mr Hassell: Which one are you?

Mr BRYCE: The article continues—

—who had established an atmosphere conducive to maintaining and expanding a healthy private enterprise economy.

If the Leader of the Opposition wants to add "good looking", I will accept that accolade as well.

Mr Peter Jones: You have always wanted something named after your ancestors. You did want "Gibsonville". We have the Gibson Desert which has a likeness to your head.

Mr BRYCE: The member for Narrogin inflicts his thoughts upon us by becoming personal. If that is the level or the kind of contribution from members opposite to this significant debate, I

suggest they keep up that level of nitpicking and keep reminding us, and ask the same level of questions at question time, because we are happy to occupy the Treasury benches for the rest of the decade and probably the rest of the century—just keep it going.

What members opposite have overlooked in their lack of concern for the balance of the Western Australian economy is that certain very constructive and worthwhile initiatives are now being worked on in a way that will prepare Western Australia to benefit in a maximum fashion from the international upturn when it occurs. A great deal of constructive and worthwhile effort in the past 12 months has been applied to the development of Perth as a banking centre.

Mr Court: You have to be joking.

Mr MacKinnon: With the highest FID in Australia?

Mr BRYCE: The Treasurer no doubt looks forward—

Mr Clarko: They have gone to Brisbane.

Mr BRYCE: That is a myth. It is a pity the member for Karrinyup continues as he did when he was Minister for Education in dealing with myths. He is saying that people are taking their capital out of Western Australia. He wishes it were a reality because, like the member for Nedlands and the member for Narrogin, he has set a course of knocking the Government.

Mr Clarko: There is greater business activity in Brisbane now since FID was introduced into Western Australia.

Mr BRYCE: The role of the WADC will begin to unfold during this year.

Mr Laurance: God forbid!

Mr BRYCE: I am pleased the member for Gascoyne said that because he will be surprised to see the quality and calibre of the people who will be involved in the WADC.

Have members opposite forgotten the 7 500 people who were out of work when they came into office in 1974?

Mr Laurance: How many of the extra 10 000 will you employ?

Mr BRYCE: During the course of the member's effort as a rambling rose, the Leader of the Opposition touched on the question of assets management. It is quite extraordinary that members opposite presided over the affairs of this State for so long in what they would perceive to have been a businesslike fashion. Some of them sat around the table as directors—

Mr Hassell: Are you going to answer the question about gleaning the land?

Mr BRYCE: The member has been given an answer 10 times over, but he indicated today that he does not understand economics. The member has some knowledge of the law, but his skills rest in knocking the welfare system.

Several members interjected.

Mr BRYCE: I want to tell members about the whole question of assets management.

Mr Court: What assets are you talking about?

Mr BRYCE: The people's assets. Neither the member for Nedlands, nor his colleagues when they left office, knew what the assets were. The members of that outgoing Cabinet were really the members of the board of management of the largest company in Western Australia.

Mr Court: Give us your examples, besides the land.

Mr BRYCE: Besides the land! The member seeks to dismiss the significance of the land.

Mr Court: I did not dismiss the land.

Mr BRYCE: Of course the member did. That is like saying, "Forget the land" to a company which deals in land in a significant way.

Mr Court: Answer my question.

Mr BRYCE: Let us look at how the previous Government managed the assets of this State. There has never been an assets register in Western Australia. What a marvellous job the previous Government was doing!

Mr Court: The biggest asset of Western Australia is people, and you have 70 000 of them out of work.

Mr BRYCE: Members opposite have just discovered the unemployed, most of whom are not silvertails living in Nedlands. It was not until members opposite were dismissed from Government that they discovered the unemployed.

Several members interjected.

Mr BRYCE: Referring again to the question of assets management, I point out that the Opposition when in Government squandered the assets because it did not know at any given time what the assets of Western Australia were. One can imagine the extraordinary sense of horror which would come from a board, let alone the shareholders, of any decent company if the chairman of the board said, in respect of the assets of that company, "I am afraid we cannot really discuss the management of those assets because we do not know what they are". That has been precisely the case in this State.

This is part of the Government's new approach to which members opposite should be prepared to listen; perhaps they may receive a lesson or two. Within a year or 18 months, we will have a register of land and assets in Western Australia. It will not be perfect, and it will take a considerable period to put together. The existing assets cannot be managed in any logical fashion because nobody knows where those assets are or what they amount to. For example, members opposite have presided over countless projects over the years in a town planning sense—projects for highways, byways, and other planning objectives where arrangements and alignments have been changed. However, people just happen to have forgotten how much land is involved and where it is located. They have lost track of it.

Mr Rushton: That is what you think.

Mr BRYCE: No doubt "six-vote Cyril" will tell me where it is. No-one in Western Australia can tell the Government right now where the land is; and we are putting in place a system which will provide that information. Vast quantities of land in Western Australia—the exact location of which is unknown—belong to the State.

Several members interjected.

Mr BRYCE: Its value is not known and neither is its purpose. What wonderful managers the Opposition members were. They sat around the Cabinet table in blissful ignorance when in Government.

Mr Court: You will give the assets away to foreign high technology companies.

Mr Thompson: How does your attitude square with the attitude previously expressed on the disposal of State Building Supplies? You were very critical of that disposal.

Mr BRYCE: Members opposite can think only in terms of assets management instinctively with a disposal mentality. They think *ipso facto* there is some great plan to dispose of the assets. What about simply reorganising and consolidating those assets in a form which has not occurred to some of the great gurus sitting opposite? Members opposite are products of the 1960s and 1970s, and they do not realise that their approach will not be appropriate or adequate for the 1980s and the 1990s.

Several members interjected.

Mr BRYCE: "Six-vote Cyril" is trotting out again the old Vietnam War logic: If you have not been to Vietnam, how do you know what it was like and what principles were involved? According to the member, one had to be there to understand the horror and the conflict, and to appreciate the

principles. That is not so. History has proved the member to be monumentally wrong. If the Government needs a ministerial adviser or consultant, it will happily apply such expertise to assist it with the modernisation of Western Australia. When members opposite left office, the State's economy was about as balanced as the economies of most third world countries and just as vulnerable. The Government had ignored the small business sector and technology development because of its preoccupation with worshipping at the high altar of a *laissez-faire* system.

The previous Government walked away from its responsibilities in the tourist industry. To the extent that scarcely anything was done in that area, it was just too little too late. The Opposition must accept—it is finding it terribly difficult to swallow as it begins a decade or two in Opposition—its own backwash from nearly a quarter of a century in office. The responsibility for the dislocation of the economy rests entirely at the feet of the Opposition. This Government is, in fact, fairly clever.

Several members interjected.

Mr BRYCE: The Government is embarking on some fairly fascinating solutions to some of the very old, traditional problems. It will take the Government slightly more than 12 or 18 months to turn the situation around. To instil a little fear into the hearts of members opposite, I suggest that by the time of the next election in Western Australia the rather modern and sophisticated solutions adopted to solve some of the problems that this State now faces will begin to bear fruit. The Opposition will find it has to make a decision before or after the election to play musical chairs and change leaders again.

If the contribution by the Leader of the Opposition to the supply debate today was any indication of what we can expect from this "revitalised" Opposition, we are perfectly happy to accept that the Opposition has not been revitalised, and we are somewhat disturbed that Western Australia could be heading in the direction of a one-party State.

MR PETER JONES (Narrogin) [5.21 p.m.]: On 22 November last year, in response to a question he had been asked on 20 October, the Premier made a statement in this House regarding the incentives that had been given for projects to be attracted to this State.

Mr Brian Burke: Tell us about your incentives to Bunbury Foods.

Mr PETER JONES: After some considerable delay, the Premier made his statement on 22 November regarding what he called "deals". He identified three deals relative to projects that took

place in the past—Koolyanobbing iron ore, the North-West Shelf natural gas, and the Kwinana oil refinery. They were instanced as projects, one from each decade to which he referred. The major substance of the Premier's claim—he has repeated it by way of answer to a question today—was that no Government should make any offer by way of inducement, or make any proposal that in any way placed the taxpayers of this State at risk. In other words, the taxpayers should not be asked to bear any costs associated with those inducements or offers of assistance if the inducements place the taxpayers—the people of the State—at risk. That is a laudable and commendable objective; but what is the point of having any form of inducement if someone does not help carry the risk?

In the Premier's statement, he then referred to the subsequent inducements—I will continue to use that word, because it is the one that has been used—that were in fact put into a legislative form to protect the people of this State. There were requirements by way of negotiated agreements Acts ratified by this Parliament, and those agreements imposed obligations on the companies and joint venturers concerned. They also spelt out clearly what the State was offering; in other words, what risk was being faced. In short, when the Premier was put to the test, after a considerable time he came up with a lot of gobbledegook which, in turn, meant that no-one should offer anything if there were the slightest risk to the taxpayers.

I accept that the risk must be minimised; but, in particular, the Premier made the point that no-one had benefited from the "deals"—and I use his term again. No-one had benefited from the industrial development projects that had, in fact, been attracted to Western Australia. Indeed, we were criticised and berated as a former Government—not the Government for nine years, but the Government during the 1960s—because of what had been offered during that period.

In this Chamber on 30 September 1958, the then Minister for Works and Water Supplies (the Hon. John Tonkin) made a report on an overseas trade mission which he had led, and from which he had returned recently. He gave a glowing report of the discussions he had and the itinerary he undertook. Based on the discussions that he had and the promises he made in this place, he had every reason to feel satisfied with his discussions, and he said as much. I do not wish to repeat everything he said, but I will record two or three of the comments he made in his speech. The first is as follows—

I propose to read a list—not a complete list—covering industries, some of which have

already decided to come to Western Australia, and others which seem almost certain to come.

He read the list, and I will read it again, as follows—

- Petro chemicals
- Motor tyres
- Synthetic rubber
- Plastics
- Charcoal iron
- Wool processing and weaving
- Manufacture of hardboard
- Treatment of pyrites for by-products
- Manufacture of hand tools
- Manufacture of aluminium products from bauxite

In other words, he was referring to a smelter. He continued—

- Manufacture of commodities for waterproofing and dustproofing materials
- Manufacture of scientific glassware
- Manufacture of hospital and laundry equipment, such as autoclaves, etc.
- Making coke from Collie coal.

There was much more about how, within two to three months from that date, he would have companies in a position to make a commitment, and that they would commence operations by establishing in this State. For example, Mr Tonkin mentioned Thomas Eilen & Company of Sheffield, which had definitely made a commitment to manufacture hand tools of various kinds in Western Australia. Mr Tonkin then went on to say—

Another industry which has tremendous possibilities, is one which is interested in the use of the bauxite in this State for the manufacture of various aluminium products, particularly in connection with building and wire for electrical purposes.

The then Minister had every reason to be happy about what he felt was the result of his mission, particularly in the light of the promises he had made on behalf of the Hawke Government as it approached the 1959 election. He made those promises in order to ensure that even a small number of industries—even one—might establish in this State. In 1958, he even aimed as high as an aluminium smelter. The mind boggles!

On 8 October 1958, in this Chamber, the then Leader of the Opposition asked the following question of the Hon. John Tonkin—

(1) Has the trade mission or the Government offered to any specific industry inducements to establish in Western Australia in

addition to the inducements announced in the Press as follows:—

Then he listed the announced inducements. The reply was—

(1) and (2) The possibility that additional assistance might be given in specific instances was mentioned, but no firm offers of such assistance were made.

There was a further question—

(2) Has the Government assessed the potential land area and financial commitments likely to arise?

(3) If so, what are the estimates?

Mr Tonkin replied—

(1) The inducements are still on offer in a general way to industry wherever situated.

(2) and (3) It was not possible to estimate what amount of land was likely to be required for new industries and the possible financial commitments. The Government is, however, satisfied that it will be able to meet the requirements as they arise.

What were those inducements? On the same day, the then Premier was asked by the member for Collie, one of his own members, the following question—

What concession would the Government provide, by way of rail, power, water, land, etc., should inquiries be received relating to the establishment of secondary industries at Collie?

He referred to Collie, and the Premier replied—

The following are the incentives being offered by the Government in connection with the establishment of secondary industries in Western Australia, including Collie:—

In other words, what was offered was cash grants under certain conditions of up to 20 per cent of establishment costs. Interest-free guaranteed loans for up to 10 years, free factory sites, and essential road, railway, water, and power services, were to be provided by the taxpayers in addition to the guaranteed housing required for every project.

The present Premier criticised the offer of far less. Within months after the Hawke Government had virtually mortgaged the taxpayers of this State, if even a fraction of the industries that the Hon. John Tonkin said would come to Western Australia had accepted these offers, we would have been bankrupt.

Leave to Continue Speech

I seek leave to continue my remarks at a later stage of today's sitting.

Leave granted.

Debate thus adjourned.

QUESTIONS

Questions were taken at this stage, during which the Speaker indicated that it had been drawn to his attention by the office of the Minister for Minerals and Energy that question on notice 2657, addressed to that Minister, referred to negotiations by the Australian National Line, and that as the answer sought did not come within the purview of the State Government's responsibility, but rather was a Federal matter, he had ruled the question out of order.

Sitting suspended from 6.00 to 7.15 p.m.

SUPPLY BILL 1984*Second Reading*

Debate resumed from an earlier stage of the sitting.

MR PETER JONES (Narrogin) [7.15 p.m.] The point I was making before the dinner suspension was that the Premier cannot have it both ways. He cannot criticise Governments which come from the anti-socialist side of the Parliament for giving too much away in the terms which he described in his statement of 22 November, when what was offered by the Hawke State Government in its dying days, as I have already indicated and as I have read from the statements made in that chamber at that time, amounted to an exercise to bankrupt this State. If only two or three of the companies which had indicated some interest to the then Deputy Premier had finally become established in this State and had called upon the State Government to honour its inducements, it would have bankrupted the State.

As the Brand Government found when it assumed office, the Hawke Government was not in a position to honour anything like the inducements which were offered, and which, if they had been called upon, would certainly have brought something to this State. It would not have become a reality because the State would not have been able to deliver.

There is no point in prolonging the debate, except to clarify the point that the Deputy Premier cannot have it both ways. He indicates what was being offered by his own Government of the day—in his statement he admitted that he felt

some things being offered were perhaps a little generous—but the fact is that they were offered. We still pay the price for that.

There must be an element of risk. The present Government is quite properly doing everything it can to attract industry and investment to this State, but it needs to fight on more than one front. I will return to that in a moment. The Government cannot get that investment and it cannot get the jobs which will flow from that investment if it starts nitpicking about what kind of inducements and what costs there will be and who will provide them.

In the last few days, the question of Yeelirrie has again been raised in the light of the overall uranium debate. It has already been referred to this evening; I do not wish to go over that again, but it is part of this exercise about the consistency of Government policy and a clear understanding of the policy. Even if that might be criticised, and even if some of the taxation concessions and investment allowances are not good enough or are too generous, whatever they are, at least they must be consistent.

One of the great problems we enumerated time after time in this Parliament was the fact that in the life of the previous Federal Government consistent and realistic policies in respect of international or overseas development funding were not pursued. The Fraser Government did not maintain consistent, realistic policies in respect of attracting overseas funds, capital, companies, and expertise to Australia. It is to the credit of the present Federal Government that such initiatives as the floating of the Australian dollar have been undertaken. However, we hope to see the present State Government in Western Australia being a little more vigorous in fighting for the State.

An article appears in *The West Australian* today in which the Premier gives his version of what happened at the ALP conference on Sunday. The Premier did not attend that conference, and it appears the conference has done nothing to clarify the confusion surrounding uranium mining and development in this country as it relates to the attitude of the Government of Western Australia and the stance that will be taken by the delegates attending the forthcoming Federal ALP conference. We are not really a great deal wiser in respect of what this State Government will do to bring pressure to bear on its Federal counterpart in order to ensure that on a national basis the uranium industry can obtain a clear outline as to what the future holds for it.

It is interesting to note that people such as the Federal member for Swan—the Minister for

Aviation—circulated letters to their constituents following the Federal conference approximately two years ago which adopted a policy relating to uranium mining in this country. The letter circulated by the Minister said, "The decision which has been made is a no mining decision". That decision indicated there would be no mining and development of uranium resources in this country.

Two years later that Minister has changed sides. During the weekend the Federal member for Fremantle also apparently changed his mind from the attitude he took previously to the development of uranium mining in this country. Indeed, he said that the development of uranium mining in Australia was "inevitable". He even went on to talk about further development.

The Director of the International Atomic Agency has been visiting this country from Vienna. He has indicated that uranium production and use is here to stay and that, based on the research the agency he represents has undertaken, it has been demonstrated clearly to the satisfaction of the agency's member countries that uranium can be mined and used for the development of energy resources in a safe and practical way, and a way which is environmentally clean. The International Atomic Agency is a body set up under the auspices of the United Nations.

If you, Sir, represented a country which was interested in buying uranium in yellowcake form, given the enormous capacity which exists in this country to supply it on the world market, to influence the way it is used and treated, and to set up the protective mechanisms which are necessary, what would or could you think after being made aware of what took place at the ALP conference here on Sunday? Members of the Labor Party itself do not know what actually occurred there. Indeed, Mr Marlborough from Fremantle went into print today saying, "This is what I thought I was doing". Mr Bartholomaeus said it was all right to mine uranium in South Australia, but it is no good to do so in Western Australia. That is clear from his amendment which indicated that Roxby Downs was all right, but such a development would be no good for Western Australia.

Mr Jamieson interjected.

Mr PETER JONES: I ask members: Exactly where do we stand? In 1978 when the Yeelirrie agreement was before this Parliament the member for Welshpool, who just interjected, made it quite clear where he stood. He said that the Labor Party, when elected to office, would abrogate that agreement and the Yeelirrie development would not take place. That was fair enough; at least we knew where he stood.

Mr Jamieson: I have not changed my position.

Mr PETER JONES: We know where the member for Welshpool stands, but can we say that in respect of other members of the ALP? At a Labor Party conference nearly two years ago they said one thing, and the Federal ALP was elected on a platform which said that no mining of this nature would occur. I disagree with such a stance. However, the ALP is involving itself in these other convoluted exercises and is changing its policy, because it has realised that the development proposals which were established were not only economically viable in terms of the provision of job opportunities, but also covered the environmental aspects.

Some members of this Chamber, including myself, have seen the Ranger development in the Northern Territory. As a result they have a better understanding of the ways in which safety precautions are applied at the production level. They realise also that Australia has been performing internationally in a responsible and creditable way to ensure that international safeguards relating to proliferation and the peaceful use of nuclear energy are set up.

As a nation, it is no good our putting our heads in the sand and saying, "Here is something that we wish would go away", as if it did not exist. Uranium mining does exist and it will not go away. Australia is part of it, and it is to the credit of the Prime Minister that he realises it and is trying to bring some sanity into the position, albeit with some faint hope, so that the people who do not want to know about or recognise this issue may have a better understanding of it.

I refer to this matter not only in terms of jobs, because everything cannot be rationalised on that basis, but also in terms of our international reputation and the way in which we project our image to the world. What will people think when they read the article in today's newspaper which gives the Premier's version of what happened at the conference on Sunday? The Premier does not know what happened, because he was at the football, but he indicates he thinks that is what happened.

Prior to the election, some of the Ministers in the present Government made commitments that Yeelirrie would proceed. The present Minister for Transport made such a commitment in relation to the use of Esperance as a port. Yet, on 21 July last, the Deputy Premier advised me by way of answer to a question that he had stopped negotiations proceeding in this respect. This all adds up to a very uncertain position which causes concern to those who are interested not only in the

development of uranium, but also in the industrial and resource development activities as a whole within this State.

I shall relate my remarks to some comments by Mr Hancock which were reported recently in publicity in respect of the potentially vast project in the Pilbara.

I commend the Premier for the comments which were reported against his name to the effect that the undertaking he had given to Mr Hancock was the same as the previous Government had given; in other words, he was honouring the undertaking that had already been given.

In that regard the Premier is quite clearly just pursuing what is a very sensible approach. But when it is all boiled down, what is being committed is this: The Premier is saying to Mr Hancock, "Go for your life". He is confirming what was said by me and the former Premier in 1981 and 1982. He is saying, "Go for your life, and if you can come up with something that does not interfere with the existing projects in the Pilbara, and if you can take your notional concept and put it into some form and substance, we will be there with you". Of course, no Government in its right mind would say "no" to a project if that project could be made to stand.

At the same time as we were saying that to Mr Hancock, we were also saying to the Yeelirrie partners, "You have an agreement with the State, an agreement which was passed by the Parliament in 1978, but you must not go out and put substance into that agreement with contracts and negotiations and so on". As was said earlier, the partners put up nearly \$30 million by way of a pilot plant and so forth, yet this project, with this sort of track record, is told that it must stop, that the road block must go up, and that no more must be done. However, the other project, which will compete with an industry that already has only something like 60 per cent of its capacity operating, is to be told it can go for its life.

Still, I agree with what the Premier has said, because if Mr Hancock can come up with a project, if he can find new orders and new contracts for something like the 15 million to 18 million tonnes that will be necessary to establish a project and make it financially viable, he will bring to the Pilbara orders and jobs that the area dearly needs.

In view of what Mr Hancock has to say about his not receiving any support, it is worth recording that I had meetings with him on 23 February and 21 June of 1982. At those meetings we went through his proposals in some detail, and on the occasion of the second meeting the then Premier

was present, as were some of Mr Hancock's partners in the ownership of his iron ore reserves at Marandoo. He was promised that if he could put the idea into some substance, instead of its being just a notional project, he would receive the State's support.

Following my first meeting, we put this into writing with him, and letters were sent to Mr Hancock which somehow or other he seems to have forgotten; but those letters made the Government's commitment clear. I was concerned to read in *The Weekend Australian* of 28-29 January an article written by Des Keegan indicating his belief that the previous State Government had not only stood in Mr Hancock's way but also had actively prevented his receiving any assistance and support whatsoever. Presumably that is what Mr Hancock had indicated in his interview with Mr Keegan, when in fact the reverse was the case.

I quote from a letter dated 21 April 1982, in which the then Premier confirmed discussions I had had with Mr Hancock—

I can assure you the Government is willing to co-operate in any realistic development, provided it will assist in the long term economic development and viability of the Pilbara iron ore industry.

In other words we did not want to jeopardise the jobs of people who were already in Port Hedland or Karratha, but if he could put something together and get the contracts and the people who would buy the ore, he had our support.

Similarly in a letter dated 11 May 1982, before our next meeting with Mr Hancock, we made the position quite clear again, when he was told—

The Government has no objection to your proceeding with action to establish a port at Ronsard . . .

That hardly amounts to thwarting what Mr Hancock wanted to do. He does himself a disservice; more particularly he does his industry and the previous Government a disservice by continuing with the idea that everyone stood in his way. The same letter went on to indicate quite clearly that the Government welcomed a viable project and hoped it would get off the ground.

Mr Hancock has indicated that he is now seeking to establish this project on a basis of barter. As a matter of record only I make the point that that is nothing new to this State. The two major companies in the Pilbara would be able to give examples of how, if it had been that easy to sell iron ore, they could have been selling it to Eastern Europe, where the Premier has indicated there is some interest now. But there has been an

Eastern European interest for years, provided we were able to take various items of machinery from Rumania, buses from Hungary, steel from Poland, and various items from East Germany. If we were prepared to do that on a barter basis, we could sell iron ore to Eastern Europe. That is partly the way Brazil has been trading in iron ore. There is nothing new about the idea.

Similarly, on the establishment of the project itself, the concept of barter was explored and discussed by me in Italy on a couple of occasions, but only in order to explore the concept and not to promote it.

Depending on the magnitude of the project and the actual nature of the development, only something in the order of 22 per cent of the value of the total project is required to come forward in the form of plant and machinery which has to be imported or which can be imported—items such as trucks, cranes, railways, rolling stock and so on—but there must also be a component made up of the service industries and a fabricating component which is required locally, and which can vary depending on the kind of project envisaged. Again it is in the order of 20 to 25 per cent. The remainder is onsite labour, and there is no way we can barter that. With a project worth \$800 million, in the order of \$200 million worth of plant and machinery is involved. When we equate that to the current world market value of iron ore, we find it is something like one year's shipments of the quantity of ore that would be required to make the project viable.

It is a concept worth looking at if it gives us something we require over a long enough period of years to make the project viable. It also can be pursued if it helps to lower the amount of cash borrowing requirements up front; so it is not without a place, but it is not a basis on which to mount a complete project, given the research that has been done and all the discussions that have been held.

I wanted to set the record straight by referring to various letters that we exchanged about this particular policy, and the last point I will make relates to an earlier issue regarding the Government's influence with its Federal counterpart on matters which are of concern to this State.

Reference has been made to the resources rent tax. In the absence of the appropriate Minister I am not able to pursue this matter, but I understand that the Government has not made a further approach to the Federal Government against the imposition of the proposed resources rent tax.

The Minister made it clear publicly following a meeting of the Australian Minerals and Energy Council that the Federal Government had the constitutional responsibility and power to do what it liked offshore. Put to the test, that possibly would be true; that power does exist.

I am not disputing that fact, but we have a situation where an existing set of procedures and responsibilities has been confirmed by the process of complementary legislation by way of the petroleum and submerged lands legislation being passed in this House to complement that which was passed in the Federal Parliament and which went around all of the States. That legislation provided that despite the fact that, offshore, the Federal Government might have constitutional responsibility, it needed to establish some administrative and royalty-sharing arrangements. The Federal Government said, "Therefore we will negotiate that and we will enshrine it in legislation" and it was to the credit of the previous WA State Government that after many years it managed to reach an agreement which gave this State a preferred position which recognised the tremendous amount of offshore activity in this State, more so than in any other State in the Commonwealth.

The agreement provided that we were responsible for the administration under an arrangement where the Commonwealth confirmed what we had put in place. It provided that the initial management of what happened offshore would be conducted by the Western Australian Government, and it provided that we would take 60 per cent of the royalties at the well head value.

From what the Minister has publicly said, he is prepared to abrogate that arrangement on the pretext that, "The Federal Government does have constitutional responsibility; therefore we will give it to them." Why do that when we have an arrangement that industry wants, and certainly this Parliament wanted when the matter was supported by both sides of the House? Why give it away? Why sacrifice a preferred position in the oil and gas offshore exploration industry in order to satisfy some centralist bureaucratic whim in Canberra?

We are therefore looking for this Government to do a little more fighting on behalf of all facets of industry in this State.

I will give only one more example. At present the Federal Government is undertaking what it terms a "programme of restructuring". The Deputy Premier referred to "restructuring" before the dinner suspension tonight. I do not know what he meant when he said it had been going on

for some years, but I know what the Federal Government means at present, particularly when it is being conducted by that mad Greek who happens to be on the Federal Government's commerce and industry committee and who has now been given responsibility for restructuring.

The SPEAKER: But he is a member of Parliament.

Withdrawal of Remark

Mr PETER JONES: I will withdraw that remark in deference to you, Mr Speaker, because he is a member of Parliament.

Debate Resumed

Mr PETER JONES: However, his extreme views are such that they hold no future for this State whatever. They will give to the more populous States of New South Wales and Victoria the preferred position where secondary and manufacturing industries are concerned, as well as anything that comes under the influence of tariffs. He has said so. He has made it clear because that is where the majority of jobs are, that is where the Labor Party draws its basic electoral support, and that is the area that has to be nurtured. There is no promise of anything for Western Australia in those views.

This is so for two reasons; one is that we do not have enough electoral clout. I suppose one could say with justification that that is the case which ever Government is in power in Western Australia, because at times the previous Government did not have a lot of success with the previous Federal Government; but at least we were fighting. We are not getting any indication from this Government that it is fighting for Western Australia when it comes to things such as resource rent taxes, tariffs and this restructuring exercise which holds no promise whatsoever for this State. I said there were two reasons for this and I have given the first.

Mr Pearce: The first one is wrong. Is the second one going to be more accurate?

Mr PETER JONES: The first reason is not wrong because I have made it quite clear, and I have given an example. The Minister has said he is prepared to forgo our preferred position in the oil and gas offshore exploration industry.

Mr Pearce: The resource rent tax has been a matter of some dispute.

Mr PETER JONES: The second reason relates to the fact that in this State we do not have the muscle in regard to those secondary industries—the value-added processing and down-

stream industries. The Deputy Premier is trying to establish a case—he says he is working on it and I do not doubt that he is—but he will not be able to carry the day against the group which is lobbying for this job restructuring in New South Wales and Victoria. If he is able to, he would be saying so. He would be stupid if he did not say so, because if he manages to gain some victory or to achieve a breakthrough, he would want the world to know about it; but he is not doing so.

Mr Bryce: I am a humble man.

Mr Old: So you ought to be.

Mr Bryce: Exactly.

Mr PETER JONES: I ask the Government to do this simple thing for the people of this State: To publicly be seen to be fighting a little harder for the future of this State against all these initiatives from Canberra. So far—whether it is in the resource rent tax field and all the other taxes that have been referred to in this debate, or whether it is in the argument put forward by the Department of Trade and Resources in Canberra—the Federal Government has increased its bureaucratic influence over the export of products from this State. Alumina which is produced here cannot be exported by the shipload unless a fellow in Canberra says it can be exported. How about the Government being seen by industry and by the public to be trying to break that down, so we can get the investment and support that we need and which the Government says it wants?

MR COURT (Nedlands) [7.48 p.m.]: I appreciate the opportunity to make some comments during this Supply Bill debate. I will be concentrating again on the issue of taxation and, in particular, the financial institutions duty, as well as making some brief comments in connection with banking.

As the House is well aware, the Opposition fought very hard against the introduction of the financial institutions duty, and last December we outlined many of the problems that would arise when this duty was introduced. We said that many administrative problems would arise in respect of the collection and payment of this tax to the State Taxation Department; we outlined the effects that this tax would have on the money market activity in this State. The Deputy Premier tonight claimed that what we said about money market activity leaving this State was a myth. That is totally incorrect.

Mr Bryce: Spot on.

Mr COURT: That is totally incorrect. Also during the debate we outlined the effect the duty would have on charities, churches and local

government in both those areas. The Government has now conceded that it was incorrect and, to its credit, it is going to do something about it. We gave as an example trust account operations and cash collection companies; the list goes on.

The Opposition has not just allowed this new tax to come in; we have been monitoring the tax since its inception on 1 January 1984, and we have prepared a public report on the first three months of its operation.

I hope the Government considers seriously some of the problems which we have outlined in this report. The Government may tend to ignore some of the comments we have made, because it considers them to be a political exercise, but I can assure Government members that some real problems have arisen in the brief time this tax has been in operation.

I will outline a few of the problem areas with the implementation of this tax. Problems have been experienced with the interpretation of some of the sections of the Act. I have asked questions of the Premier as to whether problems have been experienced with the interpretation of the various sections of the Act, and his reply has been, "No, we are not aware of any problems". I find that response a little unusual, because not only have the business community and financial institutions experienced problems, but so also has the State Taxation Department. It has had some difficulty with the interpretation of sections of the Act. Some areas of the Act will need to be amended if the Government wishes to persist with this tax, although we do not encourage it to do that.

The first area I wish to deal with tends to be a little technical, but this is a technical Bill and certain matters must be brought to the attention of the Government. We are discussing a Bill which addresses the inequities suffered by charities and churches, but the matters I wish to bring forward are probably more serious in monetary terms.

The first problem relates to the time when a term investment matures; that is, money may be placed with a financial institution for, say, two months. In a normal financial company when that investment matures the money is put into a special account—a suspense account.

That money is held until the company is advised what to do with it. If that is the case the company must pay FID. I will quote the section of the Act which states what must be done when money does become due in a term investment. Section 3(17) of the Act states—

(17) Where money is invested on term deposit with a financial institution and the prin-

cipal is not repaid immediately and in full upon the expiration of the term, the non-repayment of the principal does not constitute a receipt of the financial institution except where the money is re-invested and the period of re-investment differs from that of the original investment either in terms of the number of whole months or in the number of days rounded to whole months.

That means that if the money is not reinvested for the same term FID tax must be paid. This becomes quite impractical because a lot of money is on call, and when it does fall due, if the investor does not advise the financial institution what to do with that money, it is normally reinvested—for the same term—in a special account.

The State Taxation Department has advised financial institutions to reinvest that money for the same term, so FID does not have to be paid, but if the money is taken out for a different term, FID would then be calculated. This process is rather messy and does not allow for a normal commercial activity; that is, when the money falls due it is put into a separate account until advice is received regarding it. That is one major area which requires attention because a great deal of money falls due at different times in financial institutions.

The second interpretation problem is in connection with the short-term dealings, and particularly in respect of the balance of a call account entering or leaving the threshold of \$50 000.

Just to refresh members' memories on that: When a financial institution becomes registered as a short-term dealer, and is not a prescribed short-term dealer, it must have more short-term liabilities than short-term investments. Deposits in excess of \$50 000 enter into the short-term dealing calculation. That means any short-term deposits for amounts of less than \$50 000 for less than 185 days, have FID at a higher rate; that is, 5c per \$100. Over that amount a concessional rate is imposed. Of course, the problem that has arisen, and, this Act does not allow for it—and it is a problem we have brought forward again in debate and which was ignored totally—is what happens when a person deposits \$40 000, which is under the threshold, and has to pay the primary rate of duty; and then deposits another \$40 000, which gives a total of \$80 000. Can he then receive the concessional rate for the amount over \$50 000?

Alternatively, if money is withdrawn from an investment of say \$80 000, to bring it to \$20 000, on what amount of money is FID imposed? That is an administrative nightmare for the computer

to track down. FID is very difficult to compute if people have money invested and that amount goes up, down or over the threshold figure. It is so difficult in fact that the building societies have decided to pay the primary rate of FID on all the balances in the call accounts.

Some building societies have decided to charge their customers the higher rate for all their funds. In other words, their customers have not been able to take advantage of the concessional rates of tax which are available to them.

The third area of interpretation problem relates to interest that is credited to an account. When interest is credited to an account, FID must be paid. When a withdrawal is made on that investment, and is paid to the bank, FID must be paid again. In other words, one has to pay FID twice on the same interest. If money is paid out by cheque, FID is paid once only. Computer systems must follow a logical process, so with regard to the interest payment they tend to credit the investment account, and debit it again when it is paid out. When a customer wants to know how much interest he has been paid on a certain account the computer can indicate the amount. Unfortunately the legislation encourages a different computing system so that particular transaction cannot be seen and the duty is paid once. This is quite ludicrous, because it will alter what is considered to be a normal commercial practice.

Another area of interpretation I would like to bring to the attention of the House is one I believe we will have to do something about. This matter has to be made clear to the Government's own Taxation Department and financial institutions which have to operate under this legislation. It refers to building society cheque withdrawals. Some building societies operate cheque account facilities and when a customer withdraws money a corresponding credit is made in the society's general ledger account.

Let us say that there are 300 trading days in a year and they would pay \$500 a day—which is the maximum they have to pay. That would mean that each building society operating cheque accounts has to pay an additional \$150 000 a year simply to provide this service.

Some of the building societies in this State are big operators and some are small; therefore, the additional expense of \$150 000 a year is quite significant. These problems are real.

The Government has realised the political problems associated with charities and churches, but I hope it will also take account of the problems I have mentioned and the areas of interpretation I

have outlined. I hope the Government will look into the problems we have exposed.

The other problems are not so much interpretation problems, as general problems. We have spoken to a wide range of people operating in the financial industry—finance companies, large and small building societies, large and small banks, and credit unions. They are all finding it very difficult and complicated to collect this tax.

Many of these institutions do not have computer facilities capable of computing what is required for monthly returns. They do not have accounting systems capable of automatically giving the figures.

We have ascertained that in small financial institutions it takes a person, on the average, nine working days a month—that is two working weeks out of four in a month—simply to prepare the monthly return which is required by the State Taxation Department for the financial institutions duty. This does not take account of other returns that financial institutions have to prepare each month. The staff must manually compute the amount of FID. As a result of the interpretation problems which I have already outlined, after the figures have been manually computed the staff have to take a guess at the amount of FID. That is how slap-happily the monthly FID returns are being prepared and I do not think that it is a good basis for a tax. It is not simple and it is certainly one of the most difficult taxes that has been introduced. This tax is best summed up by a senior building society executive who said—

... in fifteen years I have been involved in the finance industry, during which time we have been subject to a wide range of new or changed legislative requirements, the Financial Institutions Duty is undoubtedly, in an administrative sense, one of the most complex and costly encountered.

In the first three months since the introduction of FID large costs have been incurred not only by the large financial institutions, such as the ANZ Bank, but also by small institutions, and the Government must be aware of this and do something about it. Not only is the business community experiencing problems, but also the Treasury is undergoing problems in administering the tax correctly. It requires a large staff who should be highly skilled in the area of computer accounting techniques, and those resources are not available to the Treasury. The finance companies are taking a stab at how much FID they will pay and it is not a very professional way in which to handle this tax. I do not blame them.

They cannot give an accurate assessment because of the interpretation problems I have outlined.

Another physical fact regarding FID is that the money market community is declining; I laughed at the Deputy Premier when he said that the money market was active in this State.

Mr Bryce interjected.

Mr COURT: I will give a copy of the Opposition's report to the Deputy Premier.

Mr Pearce: Give us all a copy and we can all have a laugh.

Mr COURT: The Minister who interjected will know that the Opposition has done a lot to overcome these problems and if the Government does not do something about it the matter will end up in a big mess.

Mr MacKinnon: It will be a bigger mess.

Mr COURT: The problems I am outlining are real and have been checked with a wide section of the community.

Mr Blaikie: The Deputy Premier is involved in a deep conversation.

Several members interjected.

Mr COURT: I can assure you, Mr Deputy Speaker, that I will not be taking over from the Deputy Premier.

Mr Bryce: I will have 15 on both sides before I am much older.

Several members interjected.

The DEPUTY SPEAKER: Order! Perhaps other members will allow the member for Nedlands to speak.

Mr COURT: It is very difficult to obtain accurate statistics on the money market activity. No Government figures are available on the money market turnover. However, one can obtain an indication from the banking turnover which is available, but the only way in which to obtain figures is through a survey with operators involved in that business. The Opposition has carried out a survey which has resulted in some conclusions, but we are not saying that the results are perfect, and that is why a more detailed survey is being undertaken on a continuous basis to monitor what is happening.

Since FID became effective on 1 January this year many large mining and manufacturing companies have transferred their financial activities to either Queensland or other States where lower FID is being charged. The Deputy Premier will ask me to name some of the companies, but I advise him that I will not name them. The main reason for not naming them is because of the intimidatory threats by the Government to those

companies which have transferred their transactions to other States. I quote from *The West Australian* as follows—

In January the Industrial Relations Minister, then Acting Treasurer, Mr Dans, said that financiers having evidence of money leaving the State should present it to the Government.

He said that the Government looked to them to expose "those people who try to thwart the system."

The Deputy Premier knows that, fortunately, in Australia we have the right to carry out our financial transactions in any State we like. If companies have their export earnings coming through Perth and want them to go through Queensland because it would save a considerable amount of tax and they want to pay wages in that State, there is nothing to stop them from doing that. Constitutionally it can be done. In the case of a tax which does not exist in Queensland and which is 66 per cent higher than that paid in NSW or Victoria, of course some of the action tends to leave the State.

Not only large businesses are detrimentally affected by this tax but also small businesses and those organisations involved in short-term deposits. If they had excess money prior to the imposition of FID they would put it on call and place it on the overnight money markets in order to cut down on borrowing costs. They can no longer do that because of the cost of FID on their transactions. These small businesses no longer have the opportunity to use the short-term money market facilities.

The Minister for Industrial Development should be truly aware of this fact. I am sure that all the companies with which he deals—I would like to think on a daily basis—would have made him aware of that problem; that is, they can no longer effectively use the short-term money market. As a result, there is a loss of income to small businesses and their funds tend to remain in their bank accounts which are not interest earning—they are not in their cheque accounts. Instead of putting their funds into the short-term money market for one or two nights they keep them in a non-interest bearing account.

Banks have the opportunity of investing surplus funds in the money market in the Eastern States. This results in a chain reaction which again the public misses out on.

The business community has tried to lessen the burden of FID. Again we do not have accurate figures on the FID returns; the estimates from the banks are that in each of the first two months

FID returns have declined by 15 per cent. The returns from local companies, building societies, and finance companies have been basically the same. The reasons given to us for the decline are that those businesses turning over a lot of money are aggregating their deposits so that they put in one sum in excess of \$1 million in order that they pay FID only once. They are eliminating cash movements and reducing movements between bank accounts. A lot of businesses have complicated transactions in internal bank accounts. They no longer can carry out normal, accepted commercial transactions within their companies because FID is charged every time the money goes around. It has cut out flexibility, and I can vouch for that from first-hand experience.

Such businesses transfer their financial activities to other States to try to get out of paying FID. The solution to the problem is quite simple: Abolish FID, as we have advocated. The Government should not only abolish it, but also should use the absence of FID as an incentive to attract money market activity to Western Australia. This Government is all talk; it says it is attracting money market activity but it is driving it out of the State. If FID is to continue—and I hope the Government decides in June to get rid of it—the Government must bring it down to the same rate as in New South Wales and Victoria and clarify the interpretation problems which do not exist in the legislation in the other States. It must exempt payments to pensioners, payments through trust accounts, and payments in the cash collection companies which are being hit by having to pay double FID. The whole thing is an administrative nightmare and the Government should get rid of it.

We have never had a strong money market in this State and we need to build it up. We now have a totally ineffective money market and we have been locked into mediocrity.

I turn now to banking. The Opposition supports the need for increased competition in the banking sector, and this requires the introduction of foreign banks. Since the Campbell report, the major banks in this country have combined; so we have a few large banks joined together to fight international foreign competition. Unfortunately the foreign competition has not yet been allowed in, so there is not a lot of competition. We would support the Premier in efforts to get a major foreign bank to establish its head office in Perth. We would love to see not one bank, but many, establish operations in Perth.

That will require some drastic changes. It does not solve the problems if the Premier hops off a plane and says that he has arranged for a bank to

base itself in Perth. There must first be a change in Labor Party policy at both State and Federal levels.

Mr Wilson: The Labor Party federally has moved further than you ever did.

Mr COURT: I am not being critical. I am saying a change must take place before foreign banks can come in. I was about to say that the Prime Minister has moved rapidly in that direction and is now trying to sell that to his party. I hope the party in this State and federally accepts the fact that now that the domestic banking sector has prepared itself for the onslaught, the Labor Party must realise we need more competition. We also require incentives to make it more desirable for a bank to headquarter in Perth. That would require a number of changes; a larger package of incentives. The most important would be the abolition of FID.

We welcome the news that the Premier is getting an Asian bank to set up its headquarters in Perth. We would not like to see the Government taking an equity in it. Plenty of public companies in this State are capable of taking an equity in foreign banks to enable them to meet the FIRB requirements in that regard. The funny aspect about a bank headquartering in Perth right now is that the crazy situation would arise of the bank being here and carrying out most of its money market activities in another State. Its major operation would be in Queensland or in New South Wales and Victoria, which have lower FID rates. That would be a ludicrous situation. The Premier would achieve political mileage but it would not achieve what we want—money market activity in Western Australia, not through computers in other States.

The question of offshore banking seems to have caught the Premier on the hop. When he came back from his overseas trip and proudly talked about an Asian bank establishing here he was rather cryptic about whether offshore banking could be established in this State. That was on a Saturday or Sunday. The headlines in the paper on Monday were to the effect that Mr Wran had won out and Mr Keating would put together an inquiry to look into the feasibility of establishing offshore banking in Australia. Mr Wran had been working on this for many months after Mr Nicholas Whitlam, a son of the former Prime Minister, came out with a good report on what was required by way of incentives to establish offshore banking in New South Wales. The Premier of this State was caught off guard because Mr Wran pushed it as a major incentive and got the front running to persuade the Federal Government to offer the tax incentives necessary for such

a facility to be established. He said he was prepared to provide incentives from the New South Wales State Government point of view, but that additional incentives were needed from the Federal Government.

A small article appeared in the paper to the effect that the Western Australian Government would try to get a representative onto the committee of inquiry. It was too late. The lobbying had been done in the months leading up to that decision. When I asked the Deputy Premier what I thought was basically an innocent and simple question about whether the State Government was prepared to offer the necessary technological incentives for offshore banking to be established in this State, the Premier jumped up and said the question was out of order for one reason or another. It became obvious the Premier did not want the Deputy Premier making a comment on offshore banking. I find that rather amazing. Obviously this Government has missed the boat and fallen behind the initiatives taken by New South Wales and Victoria. The front runner for such an operation must be Queensland. It offers many of the advantages of Western Australia, such as relatively cheap accommodation, office space, good climate, and being close to a lot of the action. It does not have FID, which would be important in this case.

This Government must not only use rhetoric when referring to banking and say that it will headquarter a bank here, it must also come out with a list of incentives, including the abolition of FID, payroll tax incentives and better communications because of our isolation. We require far better technology than Telecom provides at present. We must have more reliable on-line communications. At present they are not quick or reliable enough.

This Government missed the boat on establishing Perth as a financial centre. It had the ideal opportunity. Only six months ago, the scenario was very clear; the Labor States of New South Wales and Victoria had established a financial institutions duty. We had the prime opportunity not to introduce a financial institutions duty and to use it as an incentive to bring business to this State. Unfortunately, the reverse has happened; we have provided disincentives and we have driven the business away.

I urge the Premier to review the financial institutions duty. He said he would do so after six months, but I urge him to review it now. Problems have arisen which we have clearly identified in a thorough way, and the problems must be faced now. The people are having problems interpreting the Act, and it is creating an administrative night-

mare. The Government should not muck around; it knows this duty has been a disaster and it should get rid of it.

MR OLD (Katanning-Roe) [8.21 p.m.]: A debate of this nature would be lacking without some mention of primary industry. Therefore, I will say a few words about the problems being experienced by primary industry. I shall also be looking at some solutions and making a few suggestions which obviously will not be accepted, but perhaps will be considered.

Many people in the farming industry are desperately looking for finance. A growing number of properties are on the market, with the potential for an increasing number of mortgagee sales. I know that the Government has discussed this matter and, to its credit, it has allocated \$5 million in an endeavour to alleviate the problems faced by farmers today. However, with respect, I indicate that that \$5 million is a drop in the bucket. If we were looking at \$50 million, we might be going to the root of the problem. Also, the amount of money allocated to relieve the hardship of the rural industry is not the only consideration; the way in which that money will be administered is of concern.

I received a telephone call the other day from a farmer in the southern part of the State who is in dire straits. He asked how he could apply for an allocation from the \$5 million. Quite frankly, I did not know, and I made a telephone call to find out. It appears that the Rural Adjustment Authority has been charged with the responsibility of administering this fund. I have no quarrel with that, but, from my understanding of the guidelines, it will probably not be of great assistance. The Rural Adjustment Authority will look at applications for rural adjustment in the usual way, and if they are not approved, it will automatically look at those applications under the secondary scheme; that is, the \$5 million allocated by the Government. Therefore, the same problem will be looked at with different criteria applied.

I must admit that I do not know exactly how the scheme will be administered, but I hope that the small amount allocated—I qualify that by giving credit to the Government for making money available—is administered in such a way that it will be advantageous to the people in dire straits.

The outlook for the rural industry is not particularly bright. Although we can see the possibility of an upward movement in some commodities, it appears that cost pressures will overtake any upward movement. In fact, according to the predictions of the Bureau of Agricultural Econ-

omics, there will be a negative result; people who are in a fairly shaky situation today could well be in a desperate situation in another 12 months' time.

I can only hope that we experience a good season for a change, because it is high time we did. I see the Minister genuflecting and looking to heaven in support of my remarks. I am genuine in making that comment because I know one good season would get many solid farmers out of the temporary difficulties they are facing. It is very disturbing to see farmers who five or six years ago would have been looked upon as wealthy people envied by the community, but who today, through no fault of their own, are in financial circumstances which are anything but enviable. I have had the unfortunate experience of witnessing people whom I know very well reach a situation where the only way out is to liquidate and take what assets they can find, if any, and move out. This is poor reward for an industry which has been such a great servant of Australia and one which the Minister and I know has contributed so vitally to the export income of this great nation.

The 1983-84 wheat harvest was predicted to be approximately 5.5 million tonnes, and it is a little disturbing that these predictions are made fairly early in the season. One could be facetious and say that as the first dark cloud approaches predictions are made about what the harvest will produce. While it is not quite that bad, I am afraid we do get a bit carried away, not only with predictions, but also with firm predictions about how much wheat we shall harvest and how much we shall export. It is better to be optimistic than pessimistic, but unfortunately people tend to believe that they will have a good year; and if they do not, things can get tight. Instead of the 5.5 million tonnes it was anticipated would be delivered to CBH, only 4.3 million tonnes were delivered. That represents a colossal downturn in the cash flow to the grain producers. The harvest was low as a result of the bad finish to the season, in some areas because of no rain or insufficient rain and in others because of too much rain. These are the vagaries of the agricultural industry. The 1983-84 wheat crop eventually proved to be worth \$722 million for the year. The previous year the figure was \$962 million. This drop of \$240 million represents a great difference in the amount of money put into the economy of the State and, indeed, the Commonwealth.

Most other grain crops suffered in much the same way, with the exception of lupins. This was the one crop in Western Australia which showed a rise, although unfortunately it was fairly small.

The BAE has predicted that the price of wheat will fall. It has been wrong before in its predictions, and I hope it will be wrong again in this instance. Unfortunately, it is usually wrong in its prediction of income, but not in its prediction of cost.

In this particular case the added burden of a restricted cash flow, even in a good year, would again put many people into a very serious financial situation.

On the brighter side, wool looks like being a little more buoyant with a rise in the order of nine per cent. Cattle prices will probably rise by nine per cent, but as was pointed in the House recently, the cattle herd has declined to the extent that it is not the factor in our economy it was some five or six years ago.

Unfortunately, costs will catch up with and indeed outpace the added income, whatever that may be. In effect it looks as if rural wages will go up by 10 or 12 per cent. Already we have seen foreshadowed an increase of 4.1 per cent, which will probably be announced this week.

Machinery costs are up by 20 to 30 per cent. I was talking to some machinery dealers at a show in the country this weekend and they are disturbed at the state of rural industry. The big jump, of course, is due to tariffs plus the higher list prices from the point of view of increased costs of production, plus the fact that machinery companies, certainly in the last couple of years, have been fiddling around with large discounts in order to turn over machinery. They have suddenly woken up to the fact that that is not a proposition.

Fuel costs are up by more than seven per cent; fertiliser is up by six or seven per cent. I will return to that, because I believe that can be controlled, certainly not by the State Government, but by the Federal Government, which has methods within its hands to partly control this. I hope that the State Government will take appropriate action to urge the Federal Government to take the necessary steps.

Other farm inputs are expected to rise by about the same as the CPI, which is between six and eight per cent. The cost price squeeze will worsen a little in 1984, with total prices up by about seven per cent and total costs up by about nine per cent. As I said, we have a downturn of about two per cent.

The current downturn, due mainly to seasonal conditions over the past few years is evident in the following statistics. In 1980-81, the value of rural production in WA was \$1 673 million. The following year it was \$1 855 million. In 1982-83, it was \$2 200 million. The estimated figure for

1983-84 at the time that these figures were prepared was \$2 000 million. The forecast for 1984-85 is \$2 200 million, which is not keeping up with the cost pressures and inflation.

I now return to the fertiliser situation. As the Minister is doubtless aware, the cost of fertiliser is increasing at a rate which is giving grave concern to primary industry. Some of this cost is tied up in freight charges. It is an unfortunate fact that the Commonwealth Government has made a decision which, to my mind, has no justification whatsoever, and that is to declare Christmas Island a part of the coastal shipping route. How one can declare an island more than 1 000 miles from the coast of Western Australia to be on a coastal shipping route is beyond my comprehension; but the fact that it has been declared so gives the Australian National Line the sole right to carry one million tonnes of rock phosphate from Christmas Island. In the event, Christmas Island did not produce one million tonnes of rock phosphate; it produced something like 660 000 tonnes or thereabouts. The balance was made up from Nauru, which again gave the ANL authority to go to Nauru and carry phosphate back.

It is unfortunate, but that one contract of one million tonnes to ANL has cost primary industry in Australia \$19 million. That does not sound much, but \$19 million brought down to a cost per tonne of superphosphate comes to about \$7 a tonne. The reason it does not come down more than that is the rock phosphate is used in various types of fertiliser. The \$7 a tonne in the pockets of the Western Australian farmers would be a great fillip to their economy. In fact, it would be one of the biggest things that could happen to them right now. Two of their highest costs today are fertiliser and transport.

The answer to the fertiliser cost problem lies somewhere within the bounds of the cost of transport and the fact that the ANL has been given a franchise. I appeal to the Government to take up with its Federal counterpart the possibility of having this franchise removed. Unless it is, my understanding is that it will be 1988 before the concession comes up for review. Even then there is no guarantee that the review will make any difference at all to the activities of the ANL.

Governments of both colours have fostered the ANL. There are times when one wonders why. Today I asked a question of the Minister for Transport about the refitting of the new ship which has come onto the coastal run; that is, the *Irene Greenwood*. The question I asked was—

Will he please state what modifications had to be undertaken to the Stateship *Irene*

Greenwood to bring it to required Australian standard?

The answer was—

The following items were documented and upgraded to meet the requirements of the Australian Department of Transport—

And there are 28 items which had to be modified to bring it up to Australian standards. But the bit down at the bottom is pertinent and reads—

Also the accommodation was partly modified and expanded to provide for the requirements of the agreed manning of 34 crew to Australian standards.

My next question would be, "How many men were required to crew the ship in the country in which it operated previously?" Unfortunately I have not had the time to ask that question, but I would venture an opinion that if the ship were based in Scandinavia about half the total of 34 crew would be required to man a ship the size of the *Irene Greenwood*.

Mr Tonkin: That increases unemployment.

Mr OLD: That is right; I will come to that in a moment. Not only do we have double the number of crew that would be required to man the ship in another country, but also we have two crews because a crew's working period in the ANL is, I believe, approximately 32 weeks a year. The ship must keep operating, so another crew has to take over from the crew which goes off. Therefore, we have double the manning of the ship and certainly a greater number of crew to man the ship than is required by overseas shipping lines which are prepared to do the same work at a much lower cost.

The Leader of the House just made a very interesting point. He said that, if we did not do that, it would create unemployment. On this contract of one million tonnes of superphosphate, the figures which have been supplied to me indicate that 200 seamen are employed on this job; Christmas Island employs 2 000 miners to mine the rock; fertiliser manufacturers in Australia employ 5 000 people; and 150 000 farmers in Australia are involved. It is suggested that the jobs of the 200 seamen should be balanced against the people whom I have enumerated who are directly involved in the phosphate industry. On top of that, one can throw in a few machinery agents, storckeeper, stock agents, and fuel agents and one arrives at a rather horrendous number of people who are being disadvantaged by the avarice of the members of one industry.

At times I have been accused of being anti-union, and I am surprised that people get that idea about me. Unions are great in moderation,

but unless a union is prepared to look at the end result of its demands, we as a nation are placed in a chaotic situation.

Mr Hodge: That applies to the AMA.

Mr OLD: That does apply to the AMA and members opposite should be ashamed of themselves. They stand condemned for putting such a dignified profession which has contributed so much to the welfare of the people of Australia into the situation in which it finds itself today as a result of the pig-headedness of one ignoramus who is calling the tune.

Mr Hodge: Are we talking about the BLF again?

Mr OLD: We are talking about doctors. There are doctors and doctors, and it is obvious that one of them in the negotiating field not only is intolerant, but also is unable to arrive at a basis which will enable Australians to benefit from that "great" medical scheme which will cover everyone in this country!

I remember a smarmy looking guy on television telling us, "It is all fixed. You people are now covered". When I warned the people in the country a week later that they had better check their medical insurance to see whether in fact they were covered, our worthy Minister said I was scaremongering. Members opposite should ask the people in the country now whether I was scaremongering, because they have found out to their sorrow that medicos are people who also demand some rights. They have not taken this action in an irresponsible manner as our meat industry workers did recently.

Mr Hodge: Threatening strike action is responsible now, is it?

Mr OLD: It is not responsible. It has been forced on them by an irresponsible Government which is composed of the likes of members opposite. They are the people who are supposed to think that unionists are great people. They are great while they vote for the Labor Party and while everything is going well—while they provide money for the electoral requirements of the Government—

Mr Hodge: The AMA hasn't given us much!

Mr OLD: The right to strike is one of the platforms of the ALP.

Mr Clarko: You are the hypocrites!

Mr Wilson: Do you object to it? You approve of it, do you? Declare yourself!

Mr Clarko: You love them.

The DEPUTY SPEAKER: Order!

Mr OLD: I feel some great contributions are being made—

Mr Tonkin: I would not call them "great". They are interesting.

Mr OLD: They were meaty! I did not intend to speak about the medical profession, but I was sidetracked.

Mr Jamieson: You don't seem to know much about it, so you had better continue with what you were saying.

Mr OLD: I probably know more about the medical profession than does the member for Welshpool. I have been fortunate not to have had much direct contact with the medical profession and I hope the member for Welshpool is equally fortunate. However, I can say medicos are men of honour—

Mr Jamieson: I noticed that from reading the newspaper!

Mr OLD: For the sins of a few, the member for Welshpool denigrates a highly professional group of people who have very high ethics, who take the Hippocratic oath and abide by it, and who, to the best of their ability, endeavour to maintain at a very high standard the health of the members of this community.

Recently I was constrained to make a few comments about the fact that the Forests Department was sneaking into the agricultural industry in the electorate of the Minister for Agriculture. I was surprised to find that the Minister was allowing this to happen, because he knows the attitude of the Shires of Manjimup and Donnybrook-Balingup. It has been a sore point with the people in those shires for some years that there has been an incursion by the Forests Department. It was happening during the period of the last Government until some very clear understandings were arrived at.

The Forests Department was making offers to put under pine some very productive land. Of course, the sop to closing the Shannon basin was that a pine industry would be established in the Donnybrook-Manjimup and sunklands area which would solve all the problems. According to the Shire of Manjimup it will not solve all the problems and it is very concerned at the airy-fairy solutions which are being put before it. One of those suggested solutions is tourism. I do not downgrade tourism; it is a wonderful industry. The present Government is very lucky that the efforts of one syndicate in winning the America's Cup are giving it somewhat of a bonanza; however, the challenge will not be held at Manjimup. It will not help the people there with their problem.

The Shire of Manjimup has seen fit to circulate every shire in Western Australia, and in fact most of the citizens in Western Australia, asking for their support to see that this programme does not persist.

I asked a question last week about the number of farming properties that were under offer to the Forests Department in both the Manjimup and Donnybrook Shires. From memory the answer was 11 in one and six in the other. That is a very severe blow to the agricultural industry in a highly productive area.

The Minister knows the potential for agriculture in his own shire better than do most people. He knows there is a booming horticultural industry in vegetables, which has been promoted in the last four or five years. It is unfortunate that the apple industry has suffered this year from a plague of parrots. I do not suppose I can sheet home the blame for that to the Minister, much as I would like to be able to do so. Of course, he was probably out there with his popgun doing his bit. But this is a serious matter for the shires, and they are facing the possibility of their agricultural industries being downgraded for the purpose of growing pines.

Growing pines is a fairly doubtful proposition. Pines are a last resort for land which is not productive. They are known to take a tremendous amount out of the soil. It is okay to plant pines in an area which is probably not suitable for agriculture, in the hope that in 30 years' time it will be possible to harvest that crop and make some money. However, I do not believe it is morally right or financially right or sound for good agricultural country to be taken up with pine planting.

A few words now about the kangaroo industry. I was pleased to note that Western Australia has recommended, and I understand had approved, the culling of some 200 000 kangaroos this year. There is very great pressure on Governments in Australia by conservationists to review the culling of kangaroos and even to stop the practice completely. This sort of thinking is dangerous to the agricultural and pastoral industries. I am quite sure that the Minister is well aware of this, and I am bringing it up tonight only to have put on the record that there should be no interference with the programme of culling the kangaroos, because they are possibly the greatest problem experienced in parts of the south-west of this State, where the greys are a real problem, and in the pastoral areas.

It is a matter of history that kangaroos have been on the increase only because of the activities

of pastoralists, who have gone out into the waterless country, put down bores, and provided watering points which have allowed the kangaroos to go out and the dingoes to come in. The pastoralists have really given themselves a problem while providing a worthwhile industry which makes a great contribution to the rural industry of this State.

We must continue in the future as enthusiastically as we have in the past to ensure that the kangaroo culling goes on in a balanced manner. I doubt that anyone wants to see our national fauna emblem in any way diminished or put in danger. Nevertheless, the kangaroo is a biological enigma.

Recently I noticed an article in the Press suggesting that kangaroos have diminished in number because of the severe drought in the Eastern States. That did not apply in Western Australia because, at least in some pastoral areas, good rains were received, so the kangaroos still abound. Even when drought conditions occur the kangaroo is capable of holding a pregnancy until the conditions are conducive to reproduction, when the pregnancy is then continued. I guess this is one of nature's wonders, but it is also a blight on pastoral industries, which look to good seasons to bring about some early feed, only to find an increase in the number of kangaroos. Normally a kangaroo doe has one joey hopping alongside, one in the pouch, and one about to be born. I can therefore assure conservationists that there is very little chance of the kangaroo becoming extinct.

I refer now to a motion I moved in this House two weeks ago on the subject of the meat industry strike. At the time, I was accused by many people of being divisive—if I was I am proud of it, because the strike has crippled the meat industry in this State and has put many very good meatworkers out of work. These men did not go on strike willingly, but instead were intimidated into doing so. It is not the unionists themselves who are to blame for the problem, but the people who have engineered this strike. I was berated in this House for having the audacity to think that my friend Alex Payne would be so selfish as to do that; but on 23 March, the day after I moved the motion, Mr Payne said, "The Federal branch of the union didn't know about the dispute". I had accused him, with Federal members of the AMIEU, of a concerted effort to cripple the meat industry and of getting down onto the wharfs to stop the live sheep industry. He is reported as having said it was not part of the anti-live sheep export campaign. He was reported as follows—

Our live sheep action will start in May, he said. I will see Dick Old on the wharves in May.

And well he might! That vindicates the attitude I took in bringing the matter before the house.

I know the Minister for Agriculture would be more than upset if I did not mention Herdsman Lake and the problem with Argentine ants. I have been stirred up by an article in tonight's edition of the *Daily News* which indicates that a suggestion has been made that we should drown the ants. I will come back to this later.

We have heard all sorts of allegations about the use of Heptachlor from some very good thinking people who have not done their homework as they should and who have made wild statements which are simply not true. One wild statement made regularly both inside this House and outside it is that Heptachlor is banned in the United States. Heptachlor is manufactured in the United States, but it is not banned there.

The allegation is made that the spraying of Heptachlor at the lake will kill the birdlife there. That is poppycock. Herdsman Lake has been sprayed for years. What killed the birds at Herdsman Lake—the feathered variety, that is—were Argentine ants. If any member of the APB who has anything to do with the spraying of lakes, were asked about this subject, he would say that it is a very sad thing to see nestling birds killed alive by Argentine ants entering any orifice. The ants do this and these birds die a very painful death.

I ask the naturalists and the conservationists to bear that in mind when they are trying to save the spraying of one of the last strongholds of Argentine ants in this State to the detriment of our export industries, and to think twice about the long-term welfare of the birds. Heptachlor certainly will guarantee their survival. I do not have much time, but I quote Dr Jim McNulty as follows—

I spoke to you on the above the other day and I expressed my continued dismay at repeated reference in the press to the banning of the use of heptachlor in the United States of America.

Heptachlor is manufactured in the United States and, as you well know, although its use is restricted it is used for termite control and for some other purposes.

I have a ream of information here on the use of Heptachlor in the United States. I again quote as follows—

Heptachlor is registered in over 50 countries in the world. The following European Economic Community countries have current uses registered: Austria—sugar beet; Bulgaria—sugar beet, maize; France—termites. . .

The list shows that some 100 countries use Heptachlor. We are being told continually by the people who oppose its use that such is not the case. In today's *Daily News*, there appears a full-page article on Herdsman Lake, under the heading, "Battle plans drawn up to protect Herdsman Lake". The article reads as follows—

However, it was rejected—

This is about the plan to flood Herdsman Lake. I have not got time to tell the House all about it. It is proposed to flood the area and drown the ants. The article continues—

—then by the Agriculture Department on the belief that argentine ants could survive under water.

Further inquiries by the *Daily News* recently established that on known research, argentine ants can survive under water for six or seven weeks, after which they are believed to begin searching for dry ground.

Some people can talk under water; these ants can live under water for five or six weeks. These gentlemen are suggesting that if the lake were flooded and a moat is built around it, when the Argentine ants get out of the lake they would be trapped in the moat. I am sure that they would get out of the moat and next thing, they would be in people's houses, and down at the wheat bins at Kwinana and the next we know they would be transported to the north and would be in our iron ore.

Very few countries in the world will receive produce, be it iron ore, wheat, meat or anything else, if there is any risk of Argentine ants being imported. I ask members of the House: Is it worthwhile messing about with this? Let us get on with the job and get rid of the Argentine ants from Herdsman Lake, then let us hand it over to the World Wildlife Authority and let it go on with its worthy research. I would be very happy to see the World Wildlife Authority established at Herdsman Lake conducting research on wildlife, but for goodness sake, let us do one thing at a time. Let us get these pests, these Argentine ants, cleaned out of this State. We have almost got them licked. For goodness sake, do not let the Government lose its resolve and allow the conservationists to stop the control of these pests.

MR MACKINNON (Murdoch—Deputy Leader of the Opposition) [9.05 p.m.]: I wanted to use this opportunity during the supply debate to raise a couple of issues which are of concern to me and, I know, to some other members of the Opposition. I do so both as the member for Murdoch and as the shadow Minister for Housing.

The first matter relates to the Leeming land sale. Firstly, I hasten to say that I support the sale of that land. For many years, and for good reason, I have been asking successive Ministers for Housing to dispose of the land. It makes good economic sense to sell land that will sell for an upset price of approximately \$25 000 per quarter or fifth of an acre, rather than to subdivide it and build houses on a \$25 000 block of land which could then have a value of only \$15 000. As I indicated in this House last year, that is exactly what should have happened in the Willelton area where the State Housing Commission had a subdivision, but because of the Minister for Housing's pig-headedness and his blind pursuit of his Government's policies, reason did not prevail.

Mr Wilson: The Opposition has not got any policies, of course.

An Opposition member: I'll say it has!

Mr MacKINNON: I raised the matter in Parliament, but unfortunately the wrong decisions were made.

Mr Wilson: You do not like those people living in your electorate.

Mr MacKINNON: Whether or not I like those people living in my electorate has nothing to do with it.

Mr Wilson: Tell the truth, come clean!

Mr Clarko: It would be a stranger to you.

A member: You snob!

Mr MacKINNON: The proper economic management of the Government's reserves should be considered. I will show in a moment that the current Minister for Housing really cannot come to grips with this matter and I fear he will soon be a casualty from the Government.

Several members interjected.

Mr Hodge: Your concern is really touching.

Mr MacKINNON: If it were the right decision to sell the land in Leeming, we should ask ourselves two questions: Firstly, was the sale of that land handled correctly; and, secondly, are the proceeds of the sale of that land being put to good use? Let us have a good look at the first of those questions: Was the sale handled correctly? To examine that question, let us turn to the brochure issued by the Government under the banner of the State Housing Commission and Mr Ron Smith of the Smith Corporation. It is headed, "Investment Particulars, Perth, Western Australia". The Minister, his department, and Mr Smith have this to say—

Highest or any submission not necessarily accepted and in the event that no Offer is

considered acceptable, the Minister may at his discretion negotiate with the principals who submitted the 3 best Offers and conclude the sale after each has had the opportunity to submit a revised proposal.

I repeat, the "highest or any submission not necessarily accepted", and "the Minister may at his discretion negotiate with the principals who submitted the 3 best offers", not Mr Smith, not the officers of the State Housing Commission, but the Minister. It is clearly his responsibility. He has indicated this is under the terms of sale issued for the guidance of interested parties.

Let us see what actually happened. I turn to the Minister himself for an explanation of exactly what happened. In question 2670 of today's date, I asked the Minister what was the closing date for the submissions on the Leeming land recently sold by the Minister. In answer to the first part of my question, the Minister rightfully replied, "31 January 1984," but in fact it was 4.00 p.m. on 31 January 1984, and I know that some submissions were lodged very late, close to 4.00 p.m., on that date.

I then asked the Minister how many submissions he received, bearing in mind that we are talking about land that was sold for \$3.5 million and which probably could have been sold for a lot more. How many submissions were received? Eleven. I return to the brochure issued for guidance, and one of the comments was, "The highest submission would not necessarily be accepted". All of these submissions would have been detailed and all would have had a lot of time and effort put into them. I asked, "How many of those others were being considered for negotiation?" and in line with the notes, the answer was "Three". I asked when the unsuccessful tenders were advised of the failure of their tenders, and was told, "2 February". The Minister had one day to assess 11 detailed submissions, make a comparison between each, check out the costs and benefits, and then make a decision.

The Premier said this week that the Government received Mr Smith's advice on the sale of the land and that the Government did what it was told. The Minister is sadly lacking in his job if he did not bother to check with Mr Smith on that one day, 1 February, as to what were the details of the other offers.

Mr Wilson: It has been made quite clear for anybody who had the decency to notice that those submissions were made to me and were considered by a committee of three, chaired by me, and they were discussed and checked in detail by that committee of three.

Mr MacKINNON: On the one day?

Mr Wilson: Yes.

Mr MacKINNON: On the one day, Mr Smith, the Minister, and one other person—

Mr Wilson: The General Manager of the State Housing Commission.

Mr MacKINNON: They spent one day considering submissions which had taken some people months to put together. This Minister dismissed them in less than a day.

Let us presume I had taken a week to put together a proposal. If an eight-hour working day were spent considering the 11 submissions, then less than three quarters of an hour would be spent on my submission. The Minister was negligent in his duties.

Mr Wilson: That is absolute rubbish!

Mr MacKINNON: The Minister was not looking after the resources of this State.

Mr Wilson: You are not even logical in your argument. You have been moaning about the fact that the highest tender was not accepted, and now you are making a case for others which were lower.

Mr MacKINNON: I am not. At this stage I am—

Mr Wilson: Your leader has been moaning about it.

Mr MacKINNON: At this stage of the game all I am saying to the Minister is that he and his advisers had scarcely any time to give proper consideration to 11 detailed submissions—

Mr Wilson: If you had seen the 11 submissions you would understand.

Mr MacKINNON: —in respect of something worth millions of dollars!

Mr Wilson: All you are worried about is the fact that the tender did not go to the highest bidder.

Mr MacKINNON: I am not very much concerned—

Mr Wilson: That is what your leader is worried about.

Mr MacKINNON: He may well be, but the Deputy Leader of the Opposition happens to be talking at the moment, and I am concerned about more issues than just that.

Mr Wilson: Are you indeed?

Mr MacKINNON: How can a proper assessment be made of 11 submissions, in less than one full working day?

Mr Wilson: If you had the details of the submissions you might be able to decide that for

yourself, but you have made up your mind without that information. You are not able to have that information, because it is confidential. So, you are safe in making stupid points. You are wasting the time of this Parliament. You are just a poser. You are unbelievable.

Mr MacKINNON: We have the answer to the first question. The second question is: Were any of the eight unsuccessful tenderers met?

Mr Wilson: That was not in the terms of the tender.

Mr MacKINNON: Here we have millions of dollars being dealt with; people had put hours and hours of effort into submissions, and all the Minister can say is "That was not in the terms of the tender". All he is interested in is building 5 000 homes in three years, which the Premier says he must do to meet his policy commitment.

Mr Wilson: Are you opposed to that?

Mr MacKINNON: I am opposed to the building of 5 000 homes, if that is blindly pursued at the cost of everything else.

Mr Wilson: Your Government was not able to do anything like it.

Mr MacKINNON: What was the highest price offered for the land?

Mr Wilson: You have been told that already.

Mr MacKINNON: It was \$4.2 million.

Mr Wilson: The Leader of the Opposition has the information.

Mr MacKINNON: I am asking the Minister.

Mr Wilson: The Leader of the Opposition has the information from the person who decided to divulge that information. It is not for me to divulge that information.

Mr MacKINNON: How does the Minister know?

Mr Wilson: He has indicated that to the House.

Mr MacKINNON: I am asking you, Mr Minister.

Mr Wilson: I am not giving information, because it is not for me to give it. It is confidential, as far as I am concerned.

Mr MacKINNON: None of the eight unsuccessful persons was met. What was the highest offer? No answer. Why was none of those eight considered acceptable?

Mr Wilson: Because their submissions did not come up to the requirements.

Mr MacKINNON: We have to take the Minister's word for it.

Mr Wilson: You can easily say that. That is a coward's castle you are residing in. You know I

cannot divulge that information, so you are making those statements.

Mr MacKINNON: The Minister can divulge whatever information he wishes.

Mr Wilson: It is confidential, and I will not divulge it for any unscrupulous reason. I would not trust you with it as far as I could throw you. You are putting on a ridiculous performance.

The SPEAKER: Order! I find myself in a difficult position because at one moment the Deputy Leader of the Opposition is asking me a question, and at the next moment he is asking a question of the Minister for Housing. It is quite right for the Deputy Leader of the Opposition to ask me a question, but question time has finished as far as the Minister for Housing is concerned. I think the Deputy Leader of the Opposition ought to get on with his speech.

Mr MacKINNON: I will gladly do so, if the Minister for Housing will allow me.

Mr Wilson: If you ask questions of me, I will answer.

Mr Bryce interjected.

Mr MacKINNON: The Deputy Premier has come in to protect his Minister. Was the sale handled correctly? When we consider the Minister's answer to question 2577 we note he said the land was not sold to the highest bidder. Is it not fair that the people of this State should have an understanding of how much they have lost in this deal? How much money was forgone? What has the taxpayer contributed to the sale of the land in Leeming?

I am not critical of Town & Country WA Building Society. That society has a great reputation and I do not bear any malice towards it. The Government made the decision, through the Minister for Housing. The Minister should make it clear to the people of this State just how much money was forgone.

Mr Wilson: You are asking more questions.

Mr MacKINNON: How much money did the people of this State lose? How many of those 5 000 homes will not be built because the Minister has chosen not to sell the land for what may have been the best offer? Was a joint venturer considered? If it was not, why not?

This Minister has a lot to answer for. Let us examine the financial income to see whether this Minister can sit in his place so smugly and stand up for the people he is supposed to protect. Four hundred and thirty lots of land will be developed at the Leeming estate from \$3.5 million invested; that is approximately \$8 050 per lot. Road and service costs will constitute about \$7 000 a lot, so

another \$3 million will be required to develop those lots. The cost will be in the vicinity of \$6.5 million.

As I have indicated, the sale price will start from \$25 000 and that will give a profit of \$9 950 per lot to the developer. Therefore, all up the profit will be approximately \$4.328 million.

Mr Wilson: Who worked that out?

Mr MacKINNON: They are my figures and the Minister can criticise them if he likes, but the profit on the land will be in the order of \$3 million to \$4 million. That is the profit margin the State Housing Commission has forgone.

Why could not the commission, with the Town & Country WA Building Society, or another developer having \$3.5 million, have gone into the project and said, "Yes, we want to sell it. We will use the private sector and do it on a joint venture basis. We will provide the land and the developer will provide the capital and we will split the profits"? In that way, \$2 million could have come to the SHC as a half share and could have been used to provide welfare housing. The Minister is suddenly silent.

Mr Wilson: I am silent only because you are wrong.

Mr MacKINNON: The Minister is responsible for ensuring that about \$3 million has been forgone by the SHC. The area has been sold off without any land being retained for welfare housing.

The Minister is responsible for housing people who are on the waiting list. He is supposed to be a compassionate man, yet he has presided over a decision which has seen the commission forgo in the order of \$2 million which could have been used for housing. If the Minister had not wanted to pursue so vigorously and blindly the pursuits—

Mr Wilson: Since when have you been a developer?

Mr MacKINNON: How can the Minister work out the figures?

Mr Wilson: How can anyone vouch for those figures?

Mr MacKINNON: I happen to have a few friends with whom I have consulted.

Several members interjected.

Mr MacKINNON: Members opposite would be surprised at who those friends are.

Several members interjected.

Mr MacKINNON: I have already indicated that if the Minister wishes to criticise the figures, he may do so.

Mr Wilson: You have very disappointing friends.

Mr MacKINNON: The Minister may criticise the figures.

Mr Wilson: I have not yet had the opportunity to criticise the figures, but I will because they are false and so ludicrous.

Mr MacKINNON: The Minister may criticise them and I will be happy to listen to him.

In question on notice 2667 I asked the Minister whether the proceeds from the sale of the land were being put to good use. The answer was as follows—

The funds from the sale of the Leeming land will be used by the State Housing Commission to provide homes for applicants on the waiting list.

This is the answer from a Minister who is supposed to be a compassionate man.

However, if the SHC has a large land bank, which it has built up over many years in order that it might properly manage welfare housing in this State without drawing too harshly on the taxpayer to provide funds to do so, surely some of the funds from the sale of the land should go towards replacing the land in that bank.

Alternatively, what my leader said today is patently true; namely, that the Government is asset stripping. It is using today's capital to be consumed today at the cost of tomorrow's taxpayer and tomorrow's Governments. The Opposition will be returned to Government and it will be faced with a land bank which is almost empty because the Minister has not had the responsibility to replace the land that has been sold to bridge a short-term policy aim.

The Minister has said that the funds will be used by the commission to provide homes for applicants. I am prepared to listen if the Minister will assure me that some land is being purchased to replace the land that has been sold from the land bank, but that was not mentioned in the answer to a question I asked the Minister.

Mr Wilson: I will answer you at the appropriate time.

Mr MacKINNON: The Government, through the Minister for Housing, has something to answer for in respect of the Leeming land sale. How can 11 detailed submissions be assessed in one day? I ask the Minister how many hours he spent on assessing those submissions.

Mr Wilson: Are you a lawyer? Perhaps you are Perry Mason.

Mr MacKINNON: The Minister does not have the gumption to answer that question because probably only one morning was spent on assessing those 11 detailed submissions. The Minister is not prepared to give the facts. How can such a land deal be assessed in less than one working day? Why did the Government, in the Premier's words, act solely on the advice of Mr Smith? Why do we have a Minister? Why do we not let Mr Smith replace him because he seems to be taking the credits and making the decisions? Why was \$2 million forgone in the joint venture? Why is the State Housing Commission having its assets stripped in a desperate bid—

Mr Wilson: What about the years of Liberal Government?

Several members interjected.

Mr Bryce: He does not have half as much to hide as you have. We will see what will come out in the wash.

The DEPUTY SPEAKER: Order!

Mr MacKINNON: The Liberal Government made sure that when land was sold from the land bank it got on with the job of building homes. This Government is frittering the jobs away.

Several members interjected.

Mr MacKINNON: The Minister clearly does not have the capacity to handle the job and that was vividly demonstrated both today and at the sitting of the House on 22 March by his attitude to the industrial relations Bill. If he and the Deputy Premier think they have a good relationship with the building industry, they should think again about the Bill and what the Government intends to do in that area. Not only those involved in the building industry, but also the people for whom the Government professes to care—people on waiting lists for homes and who will be denied homes because of the Government's blind pursuit of the union policy which is being rammed down its throat whether it likes it or not—are alarmed at this legislation. On 22 March, I asked the Minister a question and he replied as follows—

- (1) and (2) This area has been thoroughly researched. A great deal of consultation has taken place between the Minister responsible and his department and representatives of the housing industry. That is an ongoing process.

The Minister for Industrial Relations does not happen to be responsible for the housing industry; the Minister for Housing is supposed to be representing those people.

Mr Wilson: Do not be petty.

Mr MacKINNON: The Minister for Housing is supposed to be representing the viewpoint expressed to him; namely, that the impact of this Bill will be devastating on the home building industry in this State.

Mr Bryce: You want it to be. That is the nearest and dearest thing to your heart and that heart will break when you find it is not right. You see it as a means of trying to climb back into office, but you have not got a hope.

Mr MacKINNON: The Deputy Premier should not judge the Opposition by his own standards. The Opposition has the interests of the community at heart, as I shall demonstrate to the Deputy Premier.

In answer to a question today concerning the same matter, the Minister said he believed that the statistics and information on which people were basing their belief that the impact of the Bill will be devastating was "fairly poor information". The industry will be very pleased to hear that the Minister does not believe the information is very accurate.

Mr Wilson: Which information do you believe?

Mr MacKINNON: I believe the statistics put out by the Australian Bureau of Statistics are not far off the mark. The bureau provides fairly good information. It has issued figures showing comparative building costs for the December 1983 period. Let me explain to the Minister the figures for Perth and Sydney. Building costs in Perth in December 1983 were \$194 per square metre compared with \$293 per square metre in Sydney; that is, 51 per cent higher. Is that fairly poor information? I think it is fairly good information. If the Minister thinks his Bill which will introduce much the same sort of conditions as those which apply now in Sydney will not have a devastating effect on the industry, he should think again. It shows clearly how out of touch he is with the industry he is supposed to represent.

Let us relate those figures to the State Housing Commission waiting lists—involving the people for whom the Minister professes to have so much concern. If the Government aims to build 5 000 units in three years and costs increase by 51 per cent, by my calculations the commission will require another \$62.5 million to meet its building programme.

Mr Wilson: What absolute rubbish!

Mr MacKINNON: A 51 per cent increase in building costs would be of about that order.

Mr Wilson: Check with the Master Builders' Association. That is not the basis of its infor-

mation. That is why I asked you with whom you agree.

Mr MacKINNON: I have not quoted the master builders' figures.

Mr Wilson: No, for your own good reasons.

Mr MacKINNON: I could if I wanted to.

Mr Wilson: You choose not to for a good reason.

Mr MacKINNON: I have great respect for the Master Builders' Association and for the Housing Industry Association, but they are industry groups with a vested interest. I chose not to use those figures, although I have them. I have gone to the Government Statistician and used his figures.

Mr Wilson: You have done your own crooked calculations.

Mr MacKINNON: If the figures are wrong, the Minister had better take them up with the statistics department in this State. The New South Wales figure is 51 per cent above ours and the Minister has the temerity to sit there and say in an answer to a question I asked that I should be a little more patient. He said in that answer—

He will get the answer he wants. I think it may be—indeed, I hope it will be—as pleasing to him as it is to the building industry.

It will not be pleasing if building costs go up by 51 per cent, in line with the situation in New South Wales. That will be the implication of the Bill introduced in the other House and promoted by the Minister's friends in the union movement. What has the Minister said about this? All he has said is that he does not believe it is true.

Mr Wilson: I do not believe any figures you quote because you put your own construction on them. You have not proved anything.

Mr MacKINNON: I have quoted the figures of the Australian Bureau of Statistics.

Mr Wilson: You have made a crude transfer of figures. No statistician would use figures as you are using them now.

Mr MacKINNON: The only thing crude is the Minister's defence of himself. He has nothing to say in defence of the people on the waiting lists—the people whom he and his Government are going to sell down the drain because of the increase in building costs. He has not said a word in defence of the people in the building industry who will lose their jobs. Money can go only so far.

As shadow Minister, I am pleased about this because it will give me better access to people in the industry. They have expressed real concern as

the Minister knows, because they have voiced it directly to him.

Mr Wilson: What concern did you express about the people on the waiting list in the years you were in Government and did nothing about it?

Mr MacKINNON: The Minister obviously does not listen when speeches are made. I represented probably the biggest State Housing Commission area in this city for quite some time.

Mr Wilson: Rubbish! You did not; what did you do about it?

Mr MacKINNON: The results in the election show that what I did was effective. In any event, whether I did anything or not is beside the point. The Minister for Housing is now the man responsible for that matter; he has to look after the interests of those people.

The Opposition will come forward soon with policies that will show the people that our approach will be much better than the Minister's devil-may-care, let-her-rip-and-spend attitude. At the end of the day that approach will bankrupt the State Housing Commission because it will not have any land left in the bank. It will bankrupt the taxpayer because he will be supporting the commission; it will add to unemployment because people will not be able to afford to buy the homes.

Mr Wilson: We have declared how much land will be sold.

Mr MacKINNON: It is a tragedy to see this Minister succumbing to his union masters.

Mr Bryce: You are a master of understatement.

Mr MacKINNON: Our "masters", the Hon. Gordon Masters, will show in debate in another place how foolish this Minister is in trying to defend the indefensible. The Minister for Education may laugh, but he will laugh on the other side of his face when many people in his community come to him and complain about his Government's attitude and its riding roughshod over the community with its industrial relations Bill. The feeling is much deeper than he may think.

Mr Pearce: I have not had one approach.

Mr MacKINNON: The Minister soon will.

The Minister for Housing has shown in both these areas a very irresponsible attitude on behalf of the people he is supposed to represent. I hope in the next day or two he will respond in this House to some of the points I have raised and which he claims are wide of the mark.

Mr Wilson: You are a fake shadow.

MR COWAN (Merredin) [9.38 p.m.]: Before I comment on the Supply Bill, I want to deal with a

couple of points raised by the Deputy Premier which I think I should correct. He said that previous Governments in Western Australia concentrated on two industries—agriculture and resources development. If the Deputy Premier believes that, he will believe anything at all.

Mr Bryce: Sectors, not industries.

Mr COWAN: I assure him that if he were at all friendly with his Minister for Agriculture—and I hope he is—he would know that agriculture has been one of the most neglected industries in Australia for the past 30 years. Most people who talk about employment conveniently overlook the fact that agriculture has lost more people than has any other industry. Governments of all colours have done nothing to prevent that job loss.

Agriculture could have been assisted in many ways, and I am as aware as anyone that many of those aspects relate to the Federal Government. I refer to matters such as protectionism and the issue raised by the member for Katanning-Roe when he spoke about the Australian National Line having a monopoly to transport phosphate rock for the Australian Phosphate Commission. All those things cost primary producers money. All those things have driven the primary producers from the land. In many instances, State Governments have also been responsible, particularly in relation to transport costs. The previous Government introduced State fuel levies to replace the road maintenance tax. Everyone agreed that tax was iniquitous and needed replacing. When it was replaced four years ago, the estimated revenue was \$5 million a year. Nowadays its replacement tax raises just over \$30 million a year.

I refer to other transport charges such as the continued regulation of farm produce onto rail. This has been most important in my electorate where recently farmers were denied the right to save between \$5.50 and \$8.20 per ton for the transport of fertiliser to the Hyden region. Farmers can no longer ignore these savings and, in fact, they must make them even if it means breaking the law. They have no choice; they either break the law and remain in farming or they pay the costs and are that much closer to going to the wall.

The Deputy Premier spoke about resources development. I know that it is easy to have 20/20 hindsight, but when looking at some of the decisions made on resources development, I wonder whether we would be faced with some of today's problems if we had been a little more sensible and rational in the past. I refer to the cleaning up of

Cockburn Sound at a cost to the tune of \$40-odd million; the cost of reconvertng the Kwinana power station from oil to coal; and the current crisis in the Pilbara with the decreasing tonnage in contracts signed with the Japanese and the decreasing price for the product.

I pay the Government a compliment on its being prepared to allow Lang Hancock to put up or shut up on the proposal he has advocated for many years. I understand that, provided he can secure new contracts, the Government has given him approval to go ahead and develop the Ronsard project. Mines such as Goldsworthy or Robe River have a terminal life; and if Mr Hancock can get his Ronsard project off the ground, the people employed in the mining industry will have further employment prospects in the Pilbara. I commend the Government for allowing him at long last to put up or shut up.

Mr Hassell: You know the same opportunity was given to him under the last Government.

Mr COWAN: I dispute that. I am not familiar with the entire situation, but I recall that the former Premier, the member for Mt. Lawley, signed a letter of intent with the Italians, but on his return he denied all knowledge of that letter's existence.

Mr Bryce: The previous Government crucified Lang Hancock in his endeavours over a long period.

Mr COWAN: Before the Deputy Premier becomes too pious, let us remember that when his party was last in Government it was responsible for, or party to, confiscation of certain areas of land from Hancock and Wright which contained iron ore deposits.

Mr Bryce: You are starting to sound like a lobbyist.

Mr COWAN: I do not want the Deputy Premier to get too swelled headed. I remind him that he has said that small businesses have been neglected by previous Governments, but this Government has recognised their position and their work. However, the Government's legislation to enact the Small Business Development Corporation has not as yet amounted to anything.

Mr Bryce: It was launched only a month ago.

Mr COWAN: Exactly. There is very little which that development corporation will do which could not have been performed by the body which it superseded. I do not think it will be the panacea for all the ills besetting small business.

I previously asked the Deputy Premier a question about support and assistance for small businesses in the areas affected by drought, and

he claimed he was not in a position to make any statement to the House on that issue. I am still waiting for a reply, and so are the small businesses. If the Deputy Premier had the interests of small businesses at heart, he could demonstrate his good intent and that of the Government by letting those concerned know that finance is available to the people who have suffered a loss of profitability or decrease in volume of turnover because of the conditions in which the majority of their clients find themselves.

Mr Bryce: I think you will be pleasantly surprised by the outcome.

Mr COWAN: The Deputy Premier has told a few members that, and I hope that I will be pleasantly surprised. Also, many people in the community hope they will be pleasantly surprised.

The National Party agrees with the comment made by the Leader of the Opposition that taxation will be the Achilles' heel of this Government; there is no question of that. Everyone is aware that one of the major philosophies of the party in Government is that it must redistribute the wealth of this State and, in fact, the nation. Of course, that means taxation.

No matter how hard this Government tries to hide the fact that it is raising the taxes to unprecedented levels and despite the professional advice it receives, I do not think it can do so. The degree of professionalism exhibited by the Government has never before been matched. At some cost to the taxpayer, the Government has taken on board a number of professional advisers who can direct the Government in ways of making unpalatable issues accepted by the public. It has a very large Press corps which sells that advice to the public. However, as time goes on, I am sure the Opposition and the National Party will point out to the Government that its taxation charges are far too high. The vast middle ground which it was able to capture in order to win Government will at some stage be disenchanted by the level of taxation being imposed. There is no question about that. Already there are rumblings on such items as FID. Despite the fact that we have not had the confrontation in Western Australia which has been experienced in other States, many people are strongly opposed to Medicare. Most country doctors still have a private practice even though they utilise a public facility.

Mr McIver: They are hungry and greedy.

Mr COWAN: There are not too many people in the rural areas who would agree with that.

Mr McIver: I agree with it.

Mr COWAN: That does not surprise me in the least, but the fact of the matter is, as the member for Katanning-Roe says—

Mr Bryce: I agree with the Prime Minister; they have become the BLF of the professions.

Mr COWAN: The fact is that in a country practice, most doctors are held in very high esteem.

Mr Hodge: You watch that programme, do you?

Several members interjected.

Mr COWAN: I do not have time to watch it, and I do not think the Minister has time to watch it either.

Several members interjected.

Mr COWAN: People outside Perth are not favourably disposed towards Medicare.

Mr McIver: Do you honestly believe they really understand it when you consider the amount of poison which has come from the Opposition?

Mr COWAN: I am sure that when a person receives a bill from his doctor and he submits it to Medicare, and he only gets back a particular sum and he has to meet the rest of the fee himself, he knows what Medicare means to him.

Mr Hassell: Very clearly.

Mr COWAN: He believes enough in his doctor to know that he is doing the right thing by him and he is charging a reasonable fee.

Mr McIver: That is not true. Your own member was telling me it is the best thing since sliced bread.

Mr COWAN: I am complaining about the difference between the fee charged and portion of the schedule fee refunded by Medicare for that medical consultation. Most people are placing the responsibility for that with the Federal Government. Once upon a time they could insure for it. Most of those to whom I talked complained of that. That will work against the Government.

Mr I. F. Taylor: The doctors are charging more than the schedule fee.

Several members interjected.

The DEPUTY SPEAKER: Order!

Mr COWAN: The doctor is not trying to milk society; he is living within the community doing a good job, and most people are prepared to pay what he charges.

A Government member: Why should he not charge the schedule fee?

Mr COWAN: They are not very happy about the fact that, under the health insurance scheme

we are forced to submit to at this stage, they are not getting back the sort of money they once did.

Several members interjected.

Mr COWAN: It is the Government's policy; support it and see.

Mr Hodge: They always had 85 per cent.

Mr COWAN: They are not getting back what they got back before.

Mr Hodge: They are getting 85 per cent of the schedule fee.

Mr COWAN: See what happens in the future. It is these things which will gradually stack up against the Government of the day.

Mr McIver: The State Government?

Mr COWAN: I am talking about political policies. I think the Government will accept that the activities of Mr Whitlam in 1974 cost the State Government and the Treasury bench. I am talking about political parties. If the Government wants to impose policies which mean higher costs and higher taxes, that will terminate the hold of the Government on the Treasury bench that much faster.

Already there are signs that, while the Government has taken certain action, people are starting to believe that it is concentrating too much on social issues. They respect that we are to deal with Bills affecting such things as the abolition of capital punishment and the homosexual matter, but they do not really think that those will affect their bread and butter to any great extent. If this Government does not act on more important matters, its own demise will be hastened. If the Government wants to concentrate on froth and bubble matters, it can go for its life.

The time has come for this Government to start addressing itself to economic issues which will be very important, particularly to some of the industries which the Deputy Premier said had been neglected in the past. I would like to see a lot more effort placed on issues such as mineral resources and agricultural developments. In this State that is all we have. It needs to be exploited in a very sensible way. We do not have a manufacturing industry of any great moment. Despite all the statements made by the Deputy Premier, we do not have a technological industry in which we can place many people in jobs. So I suggest to this Government that it looks at the industries and resources which we have. It wants to produce policies which are positive and maintain employment in those sectors, rather than concentrate on the social taxation issues on which everyone on the other side of the House seems to be so bent.

Debate adjourned, on motion by Mr Tonkin (Leader of the House).

LOCAL GOVERNMENT AMENDMENT BILL (No. 2) 1984

Second Reading

Debate resumed from 15 November 1983.

MR TRETHOWAN (East Melville) [9.58 p.m.]: The Opposition supports most of the amendments proposed in this Bill; some are very minor in their nature, and others are of major consequence. The minor matters included in clauses 6, 12, 16, 18, 27, and 28 are basically machinery amendments, or amendments to nomenclature. The Opposition supports all of those, and also the repeals included in clauses 11 and 20 relating to trout acclimatisation societies.

Mr Clarko: They must be very important.

Mr TRETHOWAN: They were at the time they were made, but now they represent an anomaly in the Act. All these amendments really go towards the continual streamlining of the Act, and they will be of significant advantage.

Of the proposed amendments of substance, we support the proposal to ban the use of licensed premises as a polling booth. This is a common-sense amendment. In fact, I believe it could set up an anomalous situation in the existing Act. The amendment will certainly bring that section of the Act into line with the other electoral Acts governing that process in our society.

Support is also given to the amendment to section 401 under which councils issue notices for required alterations to buildings. Most of these notices apply to the removal of derelict premises which are in a very dangerous condition. Until now there has been a concern that, after the processes of the Act have been gone through in terms of serving notices and allowing for objections, if the council actually takes action to go onto the property and render the premises safe it may, on technical points, have laid itself open to charges of trespass and damage.

This clause of the Bill is intended to clear up the matter by allowing the council to make applications for orders to Courts of Petty Sessions. This places the responsibility to take action very clearly on the person on whom the notice was served and safeguards the council, if that action is not taken by the owner of the premises, in taking the action itself and suing for the recovery of costs.

Support is given also to the amendments to sections 266, 266A, and 601 which allow councils to overcome an apparent technical disability relating

to transactions with the State Energy Commission. Amendments to these three sections will clarify the situation and allow councils to lend moneys to the SEC for the carrying out of works within their local council areas. It will also allow them to sell land to the SEC for the provision of services within the council areas. We support both of those aspects.

Similarly the amendment to section 466A dealing with sporting bodies overcomes what was really an oversight in the original drafting of that section by which the council was empowered to make available to sporting and recreational bodies by way of grants, subsidies, or indemnity, assistance to enable sporting bodies or associations to establish, maintain, improve, and adapt recreation grounds or other places for use by the associations.

The section does not allow the council to make loans to sporting bodies for those purposes. The amendment will rectify that anomaly and assist in the intent of that section which has very great effect with regard to many recreational and sporting clubs throughout the State.

The Opposition also supports the proposed amendments to allow councils to regulate street trading. The amendments in this Bill are similar, although not identical, to amendments which the Opposition, when in Government, put forward and which were passed in this House. We concur with the Government in that a need exists to provide local authorities with the power to regulate the use of streets and public areas, and to regulate the people who wish to display and sell goods within those areas. It is appropriate that local authorities, being the most immediately involved with their local areas, should have the power, because they also have an understanding of the individual circumstances applying in their specific areas.

The aspects of the Bill which the Opposition intends to oppose in the Committee stage are the clauses dealing with the allowances to councillors. The Opposition believes strongly that becoming a councillor in a local authority is an honorary occupation. We are opposed to any moves which may lead to the introduction of remuneration for councillors. A blurred line always exists between the provision of expenses and remuneration. Within the Act, it is very clear that expenses incurred by councillors are able to be claimed. Section 513(1)(g) provides that a council may, in accordance with the provisions of the Act—

... subject to subsection (2) of this section, pay

- (i) an amount not exceeding twenty dollars for each person together with reasonable expenses necessarily incurred by not more than two delegates of the council, and one other member appointed by the council as an observer, in attending a municipal conference;
- (ii) reasonable expenses necessarily incurred by a member in carrying out a duty or performing an act under express authority of the council;
- (iii) rental charges incurred by a member in relation to a telephone at his place of residence;

The Opposition believes that these existing sections of the Act provide adequately for the recouping of expenses incurred by a councillor in the performance of his duties. Any provision of a general allowance to councillors may raise the spectre of when that ceases to become an allowance and starts to become remuneration.

This aspect concerns us particularly as the proposed amendments to that section of the Act deal not with specific dollar values as at present within the Act, but with the insertion of the phrase "the prescribed amount". Further on in that clause "the prescribed amount" is defined as meaning "such amount as is prescribed by regulation for the purposes of the appropriate paragraph of sub-section (1) of this section". That means there is much less scrutiny of, and it is far easier to alter, those prescribed amounts than is currently the case under the Act where such a matter must be brought before the Parliament as an amendment. It is our belief that the requirement for it to be brought to the House as an amendment to the Act safeguards and makes very clear the financial nature and the implications of any such amendments in relation to recouping expenses or, potentially, the provision of remuneration.

It is certainly our intention to oppose that particular clause in the Committee stage. My colleague, the member for Karrinyup, who has had very wide-ranging experience in local government, will amplify many of the arguments in respect of that clause.

The last part of the Bill with which the Opposition is concerned is that which deals with interim rating. The proposal for interim rating is one which will not be to the benefit of those people who seek to build their own houses; not will it be to the benefit of the provision of new lots for housing, because of the many complications that will undoubtedly arise should this proposal become part of the Act.

One of the problems that occurs with the proposal for interim rating is the decision about which point of the process of development will be the one from which the interim valuation and the subsequent interim rate will occur and accrue.

The process of development of land once an area has been rezoned urban includes the developer's applying for approval of his subdivisional plan, firstly to the council and then to the Town Planning Board. Once the board has given approval, the developer applies for separate titles to be issued for the lots on that plan.

It may take a considerable time for those titles actually to become available, and it is possible for the sale of the lots to commence, although settlement cannot take place until town planning approval has been given and the titles are available.

The problem with interim rating substantially arises in relation to the settlement of those particular blocks. If an interim valuation takes place, or is assumed to be applicable at the time at which town planning approval is given to the developer's scheme for separate titles, the process of that valuation and the subsequent processes of assessing and issuing a notice for interim rates may take a substantial time.

It is quite possible for some of those lots to have been sold and settled before the developer is served with the interim rate notice which may date from the time at which Town Planning Board approval is given.

The problem that besets the person selling those lots is whether he should await settlement until the new adjustment of interim rating is available and then require the person purchasing to pay the difference of the interim rate, or whether he should absorb that interim rate within his margin. In fact, in the long term in both cases the cost of that interim rate will be passed on to the person purchasing the lot.

The question also needs to be asked as to what services the council has provided to justify the assessment of an interim rate, because under the existing Act the rate will automatically go to the new higher valuations at the commencement of the new rating period. In fact, in most cases the council will not be required to provide services to those lots until the time they are in a normal rating period, because after purchase a period is required for building construction to take place. The servicing of the lots and the provision and maintenance of roads to those lots during that period is the responsibility of the developer, not the council. So in fact the council will not be providing any services until someone moves into a house and starts using the services of the council,

as do other residents in the municipality. It seems unreasonable then for what is essentially a wind-fall gain to accrue to the council at the expense of the person purchasing the lot at that time.

The other problem with interim rating is that the shorter the interim period the larger the administrative cost of operating the system, both to the council and to the developer. It is quite conceivable—indeed, probable—that the cost of a local authority's operating an interim rating system may in many cases outweigh the additional revenue accrued.

I could quote from a section of the McCusker report on rates and taxes, a report we prepared in 1981, where several local authorities submitted that the expense of frequent valuations created a significant new item in the councils' expense budgets which did not seem to be warranted. Certainly the person providing the new land for housing would incur a significant additional administrative cost in keeping track of, assessing, and passing through interim rating assessments.

The problem with the drafting of the Bill is that no option is allowed. Clause 24, which provides a new section 534, says that the council of a municipality "shall" amend the rate book by entering therein the new value so determined once the Valuer General has issued an interim valuation. Proposed new section 534(2) provides that where a council amends a rate book under subsection (1) of this section it "shall", on the basis of that amendment, reassess the rate payable on the land in respect of the portion of the financial year unexpired. So, irrespective of whether it will achieve any significant increase in a shire's revenue over the expense of doing this, it shall do as I have indicated—no option is provided.

The other concern of the Opposition about the proposals for interim rating rests with clause 25, which is to insert a new section 535 to deal with cases where the interim valuation is lower than the valuation currently in the rate book.

The principal concern of the Opposition is that the person who has paid rates for a year and who is subject to an interim valuation that is lower than the existing rate does not have an automatic right to recoup in cash that proportion of his rates which are assessed at the lower valuation. The clause provides only that the council shall credit that difference against future rate assessments on that individual. In one case the Government requires the money to be paid to the council when the rate is higher, but when the rate is lower it does not allow the individual ratepayer to redeem in cash the amount he has been overcharged. If the period was for four or five months and it

involved a significant rateable property, an additional cost is involved for the ratepayer. He does not have the use of that money. He cannot put it on the short-term money market or defray other debts, to reduce his interest cost; in other words, he keeps paying an additional interest cost or burden until he gets the deduction against his next year's rate.

As I mentioned initially, the Opposition will support this Bill at the second reading because it sees the majority of the amendments as being an advantage to both local government and the smooth operation of the Local Government Act. However, we do intend to oppose vigorously in Committee those clauses which deal with allowances to councillors and interim ratings.

MR CLARKO (Karrinyup) [10.23 p.m.]: The payment of councillors is a carefully orchestrated part of the Labor Party's proposals to take over local Government. They are part of a package—a phrase that has been used quite often by the Minister recently—and this whole package involves, of course, adult franchise, wards of equal voter population, and compulsory voting, which we have been told very generously is not to be applied today. It is like a person being taken to the guillotine and being told he will be taken back to the gaol and will return to the guillotine tomorrow. It does not improve one's feeling much!

It is also stated in the Labor Party platform on local government that the number of councils will be revised. The same thing will be encouraged in regard to regional councils or regional government. There is no doubt that at the present moment, local government in this State is in a state of war and the generalissimo leading the attack on local government is, of course, "General Carr". He is not using cars; he is using tanks, planes and everything else, as a result of which he has subjected the councillors of this State to tremendous hornets' nests.

The platform for the WA Labor Party provides as follows—

Local government councillors will be paid an honorarium or salary and it will be determined by the Salaries and Allowances Tribunal.

That is a big mistake; if they come under that tribunal they will not do very well. The word "salary" is the operative word. Here is a way of trying to solve the unemployment problem in Western Australia. Currently we have the highest unemployment level this State has ever seen—apart from the Great Depression—and it is only partially alleviated by the fact that if one is an active member of the Labor Party he has a job

for today and tomorrow. I noticed with interest my friend Dr Pervan who was at university studying history with me—

Mr MacKinnon: He has not been as successful as you.

Mr CLARKO: He is a person of considerable ability whom I respect and admire for his academic qualifications, but he has been a member of the Labor Party for a long time and has worked for the party every election day and he has now been rewarded. The Labor Party is lucky to have a person like that among its ranks. At least he is a very competent and able person. I cannot say that of all the people who are put in that package.

Mr Evans: You cannot say that because he is there.

Mr CLARKO: As Mrs Malaprop would say, sheer co-in-cid-ence! Local government representation in this State has always been based on voluntary public service. Councillors serve their communities without payment by way of salary or honorarium and their only reward is the satisfaction of working to make their communities better places to live in. This is part of the motto of the Lions organisation to which I belong, and I think it fits very well in that place.

This legislation offers to pay councillors an allowance of \$500 per annum, but that, of course, is just the first step. The real objective is to create a Brisbane-like situation—I understand it applies also in Sydney—where councillors receive a salary, the same as a member of Parliament. Hopefully they will not be liable to regular 10 per cent pay cuts. They have their own offices and they are able to become just another line of troops involved in this piece of warfare.

Mr Jamieson: Councillors in Queensland are not all paid on a full-time basis.

Mr CLARKO: That is true. It is proposed that deputy mayors or deputy presidents will be paid the same amount, and the Minister indicates it will be approximately \$3 000. Mayors or presidents will receive between \$7 000 and \$10 000, and I understand that would be inadequate in the city in which the Speaker and I both live, where the mayor receives much more than that as does the President of the adjacent Shire of Wannon.

Perhaps in other authorities the mayors, perhaps not the presidents, receive more than \$10 000 and, in actual fact, they will come within the salaries and wages tribunal system straightaway—a pay cut! I repeat: This is the first step towards the payment of full salaries for councillors and it is an attempt by the Labor Party to provide paid employment for its office bearers such as Mr Butler, who gets paid for advising the

Premier on industrial relations matters. He is the President of the Labor Party. Every President of the Labor Party, no doubt, gave Labor Premiers—if they could find one; it was not very often—their advice free. But now we have to pay for it and the taxpayer especially has to pay for it.

A member: The council has to pay for it, too.

Mr CLARKO: In his second reading speech the Minister said—

A council will have complete discretion as to the amount of the allowance up to the prescribed limit or indeed whether it will pay an amount at all.

That is hopeless nonsense. If the latter course were followed, we would have two classes of councillors. We would have councillors in some municipalities who were paid and others in other municipalities who were not paid and in addition, those who would be paid would be paid all sorts of levels of payment.

I was talking to a friend of mine a little while ago who told me that when he was president of a country shire he received \$200 a year as his payment and he indicated to me that that amount probably did not pay for the stockings that his wife wore at the numerous functions at which they trudged around in the country dirt.

This proposal for the council to decide whether councillors will be paid and to what extent, of course, is regrettably consistent with the Government's proposals in regard to adult franchise where non-ratepayers will be given a vote, and that will produce two classes of people in a council—those who pay no rates and get a vote, and those who do pay rates and get the vote. It would be nice if we took away from that second-class citizen who pays rates and has a vote the requirement to pay those rates. A lot of people living in our local government authority would be quite happy if the rate burden could be eased, and I for one do not accept the argument that has been used by the Government that every local government resident should have a vote because much of the money that local government authorities use in their operation comes from Commonwealth and State funds. It is only slightly more than half. Millions and millions of dollars are paid by these ratepayers, but they are the people who will be the second-class citizens.

Mr P. J. Smith: Who pays the rents?

Mr CLARKO: People who are occupiers of homes, as the member knows, find it quite easy to get on the roll. During the period of the Court Government the system was extended greatly, and no doubt the Nannup case will make it easier for people to get on the roll.

Mr P. J. Smith: What about children over the age of 18 years?

Mr CLARKO: They may or may not be making any contribution.

Mr Jamieson: What are you talking about?

Mr CLARKO: I said before about half the money to run the council is provided by the rate-payers.

Mr Jamieson: That is not true.

Mr CLARKO: It is about 53 per cent.

Mr Carr: It is about 40 per cent.

Mr CLARKO: That is on average; but plenty have moved to about half and half. If the Government wishes to put forward its policy seriously, it should abolish the payment of rates. This Government has raised its taxes to the extent that it is only the second highest in Australia in putting up taxes. It could become the first. Do not let Victoria get ahead!

Once councils have sipped this nectar of allowances or payments they will begin to be attracted to full financial payments, equivalent to a salary. Of course the basic aim of this Government is to provide another battery of jobs for their party members.

We have already a considerable system of recoupment of out-of-pocket expenses for councillors. The councillors now have section 513 (g)(ii) of the Local Government Act which allows for reimbursement of reasonable expenses necessarily incurred by a member in carrying out a duty or performing an act under express authority of the council. They get expenses, petty cash allowances, travel allowances and loss of earnings allowances. That is a significant capacity to remunerate people who are councillors.

Mr Blaikie: You would not say it is unreasonable.

Mr CLARKO: It is not unreasonable; it is fair and proper. It enables them to cover the essential financial burden a councillor carries. Many councillors voluntarily choose not to use the entitlement they are eligible to use under section 513 of the Act. I think that is a point in their favour. It points out what types of people they are. However the Minister has declared war on these councils, he is now dropping napalm on them, and one of the quietest people, the President of the Country Shire Councils Association has been stirred up. I gather at recent meetings the Minister has attended he has found that everyone is opposed to his point of view; despite his great personality and friendly manner.

Section 513 (g)(i) states that a council may pay an amount not exceeding \$20 for each person,

together with reasonable expenses necessarily incurred when attending a municipal conference.

This provides an opportunity for the councillor to receive reasonable expenses he has occurred. I think there would be some dispute about that if we had the Lord Mayor of Sydney here; he might enter into a lengthy debate on that issue. A councillor may also pick up \$20 to cover his out-of-pocket expenses.

In addition, another section states that he is able to draw rental charges on his telephone. In his second reading speech the Minister said one of the reasons for the provision of \$500 a year is to help with telephone charges.

I believe my Government, when it agreed to this basic rental charge, made a serious mistake. I have never met a councillor who did not have a phone on already. What should have been done is that money should have been provided for telephone calls made on council business. In some instances the councillor may be a business man and have his telephone charges paid for already.

Provision is made in section 513 (ga) of the Act for reasonable expenses incurred when attending a conference. If a councillor attends a conference approved by the council, his expenses are paid. Provision is made in section 513 (h) for payment of travelling expenses, and for the loss of earnings when attending council or committee meetings. The payment is \$20 and this legislation will put it up to \$40. We must note that \$20 is also available under section 513 (ha) for attending a defence school. Of course if a person has a job which provides for his salary to be paid when he attends council business, he is not entitled to this payment.

In his second reading speech the Minister said "The Act presently contains limited power for councils to recoup expenses incurred by members". I say the opposite—the powers are very wide. They enable a councillor to collect all expenses incurred on duties specifically authorised by the council, and he can receive \$20 out-of-pocket expenses on top of all that. The councillor is getting all of these expenses. The councillor is paid travelling expenses, also which are designed to cover the majority of the financial disabilities he suffers.

One of the proposals in this legislation is to provide that the amounts be set down in regulations.

The Minister might care to discuss this matter. He may decide that if the two Houses of Parliament agree to it—I hope they do not—the amount of the allowance of \$500 per councillor may go to \$3 000. If changes are not made in that

particular area, they will surely be made when we get into Government shortly.

The Minister stated also in his second reading speech, "I do not believe that a person who serves his community, as a member of a council, should have to bear a financial cost as a consequence".

If we take out the words "as a member of a council" what that means is those who serve their community should not have to bear any financial cost. The Minister said we need to ensure "that members do not have to subsidise their voluntary services"; however, in all of our communities we find people working voluntarily on P&C associations, in progress associations, in playgroup committees, sports committees, the CWA, service club committees, political party committees, church committees, and so on. These are voluntary services. They are providing better community services. Would members oppose pay for them? Of course they would not, and for the same reason they would not pay councillors.

Several members interjected.

Mr CLARKO: One may or may not pay for the services because some are so minute.

Several members interjected.

Mr CLARKO: I was part of what is the second most financial council in Western Australia—the City of Stirling—and it was the most populous council, but not necessarily the most popular. I was chairman of the finance committee and had some knowledge of that council's finances. However, some of the smaller councils really only deal in what we would call petty cash.

The people of the communities of Western Australia serve in a voluntary capacity and are proud of this. Councillors are divided in terms of whether they should get some remuneration for their services. A councillor can now say to someone who rings him up, "I am doing this for the love of the community". I am sure that many members in this House have received telephone calls from people who say, "I am paying you and you had better jump".

Councillors today do not need any additional remuneration. As I have said, they are already covered under several sections of the Act. I wonder what the Government is trying to do and who it is trying to attract into local government, apart from Labor Party supporters. We have a wide range of occupations among our councillors now. I wonder what types the Government is trying to attract.

At present councillors come from all walks of life; some are pensioners, tradesmen, clerks, civil servants, housewives, teachers, doctors, business-

men, lawyers, market gardeners, chemists, and farmers. There would, I suspect, perhaps be approximately 8 000 councillors in Western Australia.

Mr Carr: We have 139 councils and you should multiply that by an average of 10 councillors.

Mr CLARKO: In that case there would be approximately 1 400 councillors and they come from a complete cross-section of the community.

Overall, these councillors do a marvellous job and they are fine people. Some of them are elected to council when they are young and mobile and are moving onto other things. Some of them are at their peak and some of the older people decide it is a way of filling in their latter years by giving a voluntary service to the community. Many of these people have worked in a voluntary capacity in a range of activities and are elected to council because of their reputation and experience. They may find that in an organisation they are not getting the things they feel they should be getting and they nominate for council in order to boost their interest. Most people find when elected that they balance out the resources which exist over a wide range of community interest groups. There is no evidence that payment to councillors would improve their performance on the council.

Mr Jamieson: Likewise, there is no evidence that it would not.

Mr CLARKO: I have enough evidence, and that is that 1 400 people will be paid \$500 per annum. The suggestion is that the Government wants people like the girl at Quobba Station whose picture appeared in the Press to receive a vote for the local council and the people who reside at the beach at Broome will also receive a vote. Of course, we have the case of the Northam Shire Council where the students at Muresk College outnumber the residents of the shire. Therefore, there is a possibility of that institution controlling the council.

Mr Carr: Most of the students record their home address as their permanent address.

Mr CLARKO: If they were students at Muresk for a couple of years and they wanted to take part in some of the three per cents, they could take over the Northam Shire Council.

There is no evidence that payment would improve the performance of councillors and there is evidence that there is no need to rely on a spur on of \$500. They are doing a maximum job now.

Councillors who are working in a voluntary capacity and doing an outstanding job have the opportunity to claim for expenses when they do

specific things for the council. They are eligible for travelling allowances to council meetings, as well as other expenses. There is no need for the Minister to give \$500 to each councillor; instead he could have a kind word with these people and ask them to continue the good service they have given in creating and building the infrastructure of Western Australia.

It is unfortunate that the Minister, despite his natural friendly personality, has adopted a dissimilar procedure in regard to other legislation which is shortly to come before this House and which will create even more deep-seated resentment among the councillors. The Government will not be able to buy councillors off for \$500.

MR CARR (Geraldton—Minister for Local Government) [10.48 p.m.]: I thank the Opposition for the support it has expressed for a number of the provisions contained in this Bill. It has quite rightly been described by the lead speaker for the Opposition as being made up of a number of separate measures. I acknowledge that the Opposition supports three out of five of those measures, and there is no need for me to comment further on that support.

It is clear that the Opposition does not support two of the measures which relate to the payment of allowances to councillors and the question of interim rating. I have no doubt more will be said in the Committee stage of this Bill on both items, and I will be brief in responding to those two measures.

Firstly, I will deal with the interim rating referred to by the member for East Melville. This question has been close to the hearts of a number of people in local government for many years. I am sure that members will recall that prior to three or four years ago it was generally understood by councillors that they had the power to interim rate and that a considerable number of councils did, in fact, charge a *pro rata* rate on interim valuations. This was changed by an amendment to the legislation three or four years ago, and it ended the practice of interim rating. Since then it has been strongly argued in local government circles, but I have not been able to hear any reasonable and strong arguments against it during that time.

It has been argued that interim rating constitutes a windfall gain to the council, but what has happened while interim rating has not been in existence is that it has been a windfall gain to the developer. The developers have been able to time their development in such a way that rates are payable at the lower level until the 30 June–1 July period, and they are able to gain the maximum

amount of time during the following year at the lower level of rates that were charged in the absence of interim rating.

Mr Rushton: Another point of view is that the land purchaser gets the benefit. It is a move that is resisted on that basis.

Mr CARR: I am interested to hear the former Minister for Local Government raise that view and I am sure he can put that view in Committee if he believes it has some validity.

The situation clearly is that councils incur costs in regard to developments that take place. While it is true that modern subdivisional requirements frequently require the developer to put in a lot of services one would normally think of as being council services, many situations arise in which councils are required to provide an increased number of services at increased cost due to the change that has occurred in the valuation of the property and without their receiving any increase in rates.

I noted the comments about the date from which the interim rating will apply. That matter is fairly well covered in the way the provision refers to the date from which the interim valuation is made. I would be happy to have it looked at overnight in case there is a problem. Another point raised was the use of the word "shall", making it mandatory for councils to engage in interim rating. The member who raised that point did not indicate whether the Opposition would be more inclined to support the measure if the word "shall" was replaced by "may" and it was made an option available to councils rather than a mandatory requirement. I would be interested to hear whether the Opposition is proposing to do away with that mandatory provision and to replace the word "shall" with the word "may".

Reference was made to the question of a refund or credit. While this point did not excite me in the drafting of the legislation, from my quick glance it appeared to be covered under a set of circumstances in which a credit could be given against rates due at a later time so a cash refund would take place. I would have thought that the problem indicated by the member had been accommodated.

The other question raised was that of the payment of allowances to councillors. This is a voluntary provision; there is no requirement on any council to pay any allowances whatever. Councils will have the option of paying up to a prescribed amount if they choose to do so. They can set a lower level or decide not to pay any allowance, or

individual councillors can choose not to claim any allowance at all.

The member for Karrinyup made some fairly excited comments at the start of his address and I was not sure whether he had prepared his speech on the understanding that it was to be delivered two days ago on April Fools' Day, and that his timing was out. Then I realised that was not the cause of the problem; it was simply that the Liberal Party in this State is concerned that it is likely that democracy will be introduced into local government.

Mr Rushton: What twaddle!

Mr CARR: The Liberal Party in this State and this House and whose members form a substantial element of local government, is on the defensive because it realises this Government has a genuine commitment to upgrade local government.

Opposition members: Rubbish!

Mr CARR: Let us face reality. Local government in this State has been hamstrung for decades by restrictive legislation which prevents it from achieving its real potential. The Opposition and the Liberal Party are embarking upon what could be called a "last hurrah" to try to prop up the privileged sections in the community which, with the advantage of a warped electoral system, have been able to entrench themselves in a privileged position in Government in this State.

Mr Blaikie: Like Custer, you are making your last stand.

Mr CARR: I make these comments to emphasise the background to the member for Karrinyup who has embarked on his extravagant, ridiculous, and outlandish comments.

Mr Clarko: Are you saying councils are happy with what you are doing?

Mr CARR: The vast majority of people in Western Australia are happy with the actions we have taken, particularly with regard to the electoral system for local government.

Several members interjected.

Mr CARR: I am perfectly happy to have the Liberal Party at State level and Liberal interests at local government level conduct an orchestrated campaign against adult franchise. They are showing by their own extremism how unfair is the system we have and how unreasonable they are in objecting to the most fundamental and basic of all principles in this State—the right of everybody to have a vote.

I have tended to follow the indiscretion of the member for Karrinyup who debated a Bill we will be debating in a few weeks' time. Perhaps it is more appropriate for me to speak specifically

about the question of expenses. We are not talking about the payment of councillors. It may be my strong view that councillors should be paid, but this Bill does not provide for that.

Mr Clarko: It is a matter of semantics.

Mr CARR: It is interesting to hear the member for Karrinyup describe this Bill as though it were a new proposal that this Government has come up with and as though if Opposition members were in Government they would not think of it. While I am critical of the way the previous Government did little for local government, it did advance this particular measure.

When I came to office in February last year, this question of the payment of allowances to councillors, in pretty much the form it is in here, was considerably advanced by the previous Minister (Mrs Craig). The question of the prescribed amount was part of the package she had referred to the associations of local government.

Mr Clarko: She never gave support to it.

Mr CARR: She had approached the two major associations of local government to gauge their response, and soon after I came to this portfolio, the answers were coming back to me in reply to the previous Minister's correspondence inviting them to comment on her proposal to provide allowances for councillors.

Mr Clarko: She did not propose it; she asked them questions.

Mr CARR: She wrote them a letter for the sake of writing a letter!

Mr Clarko: She never said she would do it.

Mr CARR: She made an approach to the associations of local government just for fun?

Mr Clarko: Did she say she would do that?

Mr CARR: She wrote to gauge their response.

Several members interjected.

The SPEAKER: Order!

Mr CARR: Surely the member does not think the previous Minister for Local Government had nothing better to do than write letters to the associations of local government on matters about which she had no intention of doing anything.

Mr Clarko: The matters were raised with her previously.

Mr CARR: I know we want the House to rise shortly so I will cover these points briefly and we will look at them again in Committee.

The question has been raised of the ability of councillors to claim specified expenses for particular items when they have been sent on council duties. No-one denies that a provision exists for

specified allowances to be paid for such things as attendance at council meetings. We are proposing a facility for councillors to claim incidental expenses because no matter how clearly one attempts to itemise specified expenses, it is not possible to do so.

The member for Karrinyup quoted the example of \$200 spent by a councillor on his wife's stockings. That is not the sort of item a councillor will claim as a specified item; it is covered in the incidental expenses to which we are referring.

The member also mentioned the cutback in the payment to some councillors. It seemed quite contradictory for the member to say that the Labor Government is doing a terrible thing by paying too much to councillors and yet also to say that mayors who are receiving well over \$10 000 as entertainment allowances are being treated unreasonably and unfairly by the Government's proposal to cut this back to between \$7 000 and \$10 000.

Mr Clarko: What are you going to pay them?

Mr CARR: A figure in the vicinity of \$7 000 to \$10 000. I am happy to make a decision in the next day or so and specify that figure.

The member referred also to people involved in public life subsidising their efforts on behalf of the community and compared being a councillor with being a member of the Lions Club, the CWA, a P & C Association, a committee of a church, or a committee of a political party. Local government is far more important and significant in the life of the community than are the Lions Club, the CWA, a P & C Association, etc., and it is unreasonable to compare it with those organisations.

Question put and passed.

Bill read a second time.

House adjourned at 11.02 p.m.

QUESTIONS ON NOTICE

2626. *This question was postponed.*

PARLIAMENTARY SECRETARY OF THE CABINET

Status

2627. Mr HASSELL, to the Premier:

- (1) Is it correct that the Premier in his "Ask the Premier" programme on radio station 6PR stated that his brother, Mr Terry Burke, was a "senior member of the Government", on no less than three occasions?
- (2) If so, could he advise when Mr Terry Burke was elevated to the Cabinet?
- (3) What special qualifications does Mr Terry Burke possess that would enable him to deal with high ranking members of the Government of the People's Republic of China?
- (4) In view of the fact that two Cabinet members (the Hon. Malcolm Bryce and the Hon. David Parker), senior Government officers, and iron ore industry representatives were already in the touring party, what justification has he for including the Cabinet Secretary and incurring extra expense?
- (5) How much did it cost the Government to send Mr Terry Burke to south-east Asia?

Mr BRIAN BURKE replied:

- (1) Yes.
- (2) The Parliamentary Secretary of the Cabinet is not a Cabinet Minister.
- (3) and (4) Unlike the previous Government which downgraded the role of the Parliamentary Secretary of the Cabinet for political purposes, the Government believes this position to be important and valuable for administering special programmes and for ensuring that a senior member of the Government is responsible for co-ordinating matters of particular importance to the Government, for which responsibility lies within several portfolios.

The Parliamentary Secretary of the Cabinet's experience as a member of Parliament for 16 years, his knowledge of ethnic affairs, particularly in relation to the Chinese, and his contacts in Asia, made him particularly suitable to discuss with the Government of the

People's Republic of China a sister-State relationship with a Chinese Province.

The development of trade relations with the People's Republic of China and Japan will be of major benefit to Western Australia, and the development of sister-State relationships is an important part of this programme. It is unfortunate that the Leader of the Opposition has resorted to personal denigration of the Parliamentary Secretary of the Cabinet, instead of looking to positive benefits which may flow from his negotiations with the People's Republic of China.

- (5) The cost of air travel was \$2 922, and other costs are not yet finalised.

Costs associated with the time spent in China were paid for by the Chinese Government.

PARLIAMENTARY SECRETARY OF THE CABINET

Rottnest Island Board Meetings

2628. Mr HASSELL, to the Premier:

- (1) Is it correct that Mr Terry Burke MLA has attended meetings of the Rottnest Island Board?
- (2) In what capacity has he attended these meetings?
- (3) On how many occasions has this occurred?
- (4) Has he delegated his authority as Chairman of the Rottnest Island Board to any other person?

Mr BRIAN BURKE replied:

- (1) to (3) See answer to question 2594.
- (4) No. In my absence while overseas recently, the deputy chairman of the board, Mr Dempster, acted in the capacity of chairman.

HEALTH

Chest Clinic: Fremantle

2629. Mr HASSELL, to the Minister for Health:

- (1) Has the Fremantle chest clinic been closed and, if so, when and for what reason?
- (2) What alternative arrangements have been made for patients at the clinic?

Mr HODGE replied:

- (1) Yes, the clinic closed on 2 March 1984. It was decided to close the clinic because the average attendance was low and an alternative service was available.
- (2) Patients may attend the Perth Chest Clinic with or without an appointment five days a week; and if this is inconvenient they may attend any public hospital for X-ray examination—that is Fremantle, Rockingham, or Pinjarra. A nursing sister is still available to visit patients at home on a regular basis.

WATER RESOURCES: EXCESS WATER

Rates: Low Income Families

2630. Mr BATEMAN, to the Minister for Water Resources:

- (1) Is he aware of the ever-increasing number of excess water accounts being forwarded to people living in State Housing Commission areas and other low income areas where large families are domiciled?
- (2) In order to assist the financial burden currently being placed on these low income earners, will he increase the allowable quantity of water to be used before excess is payable?
- (3) If not, why not?

Mr TONKIN replied:

- (1) As the standard allowance of water for residential properties has not changed, the only possible cause for increasing numbers of excess water accounts is increased consumption. I can accept that the amount payable for excess water is increasing as the price per kilolitre increases. Studies show that approximately 40 per cent of domestic consumption is used on lawns and gardens. The user therefore has significant discretion in the actual quantity of water used.
- (2) and (3) Such a move would be in direct conflict with the "pay for use" principle of charging. Further, if the standard allowance was increased, this would require a corresponding increase in the prescribed standard charge with effectively no net benefit to residential consumers.

STATE FINANCE: FINANCIAL INSTITUTIONS DUTY

Technical Colleges: Exemption

2631. Mr CLARKO, to the Treasurer:

- (1) Is he aware that primary and secondary schools are exempted from the payment of financial institutions duty, but that technical schools are not exempted?
- (2) What is the reason for this discrimination against technical schools?
- (3) Does he propose any action to remedy the situation?

Mr BRIAN BURKE replied:

- (1) and (2) Yes, the treatment of technical schools is consistent with that accorded other post-secondary education institutions. I understand that the same approach has been adopted in Victoria.
- (3) This matter will be considered in the course of the proposed six-monthly review of the operation of the legislation.

EDUCATION

Pre-school: Maddington

2632. Mr CLARKO, to the Minister for Education:

Since I am informed that at the Maddington community pre-school centre, the Education Department in 1984 will meet half the salary of both the teacher and the aide and the parents meet a further half salary for each at the "aide" rate, what improvements, if any, have occurred in meeting staff salaries at this centre from Government sources rather than that of parents, in comparison with 1983?

Mr PEARCE replied:

1983. The Government provided—

- 1 teacher, full time
- 1 teacher aide, for nine sessions.

The committee provided the equivalent of 1 teacher, full time.

1984. The Government provides—

- 1 teacher, full time
- 1 teacher, half time
- 1 teacher aide for nine sessions
- 1 teacher aide for five sessions.

The committee provides—

- 1 teacher for five sessions
- 1 teacher aide for five sessions.

Government increases for 1984 are—

- 1 teacher, half time
- 1 teacher aide, half time.

EDUCATION: PRIMARY SCHOOL

Marble Bar: Lawnmowers

2633. Mr CLARKO, to the Minister for Education:

- (1) Are the lawnmowers at the Marble Bar Primary School unusable?
- (2) Is it correct that the Education Department does not have any mowers in stock to replace the mowers at the school?
- (3) Has this school had any problems recently from death adders in its classrooms?

Mr PEARCE replied:

- (1) No, the large ride-on mower is at the school in service. The small hand mower is at Port Hedland for repair.
- (2) No.
- (3) Yes, one was sighted in a classroom recently at night.

EDUCATION: HIGH SCHOOL

Duncraig: Enrolment

2634. Mr CLARKO, to the Minister for Education:

- (1) What is the estimated school population at the Duncraig Senior High School in—
 - (a) 1985;
 - (b) 1986;
 - (c) 1987?
- (2) What is the school population in 1984?
- (3) What adjustments are proposed, if any, to the school's catchment area to ease the school population numbers in the immediate future?

Mr PEARCE replied:

- (1) (a) 1985: 1 315-1 345;
 (b) 1986: 1 390-1 435 (depending on factors in (3));
 (c) 1987: 1 400-1 450 (depending on factors in (3)).
- (2) 1 237.
- (3) Factors, such as the long-term influence of non-Government secondary schools which have or are proposed for the area and future housing developments, have yet to be fully assessed before any decision is made about limiting enrolments at this school.

EDUCATION

Pre-school: Enrolments

2635. Mr CLARKO, to the Minister for Education:

- (1) How many five-year-old (4+) children were enrolled in pre-primary centres at the beginning of 1982, 1983, and 1984 respectively?
- (2) How many four-year-old (3+) children were enrolled in pre-primary centres at the beginning of 1982, 1983, and 1984 respectively?
- (3) How many five-year-old (4+) children were enrolled in community pre-school centres at the beginning of 1982, 1983, and 1984 respectively?
- (4) How many four-year-old (3+) children were enrolled in community pre-school centres at the beginning of 1982, 1983, and 1984 respectively?

Mr PEARCE replied:

- (1) 1982—13 725
 1983—14 791
 1984—15 116

- (2) 1982—581
 1983—572
 1984—1 061

- (3) 1982—4 704
 1983—4 052
 1984—3 654

- (4) Community Centres
 1982—2 006
 1983—2 727
 1984—2 927

Aboriginal Pre-pre-centres

- 1982—351
 1983—377
 1984—341

MINING

Tenements: Water Rights

2636. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) Under the 1978 Mining Act, has the holder of—
 - (a) a prospecting licence;
 - (b) an exploration licence;
 - (c) a mining lease,

exclusive rights to water below the surface of the tenement?

- (2) If "No", what circumstances or provisions inhibit access to water by the tenement holder?

Mr PARKER replied:

- (1) The rights of holders of mining tenements to take and use water are subject to the Rights in Water and Irrigation Act 1914.

The relevant sections of the Mining Act 1978-1983 are—

- (a) for a prospecting licence, section 48(d);
 - (b) for an exploration licence, section 66(d); and
 - (c) for a mining lease, section 85 (1)(c).
- (2) (a) The Rights in Water and Irrigation Act 1914;
- (b) pursuant to section 91 of the Mining Act 1978-1983, the warden may grant a water licence over land the subject of a mining tenement.

FUEL AND ENERGY: GAS

North-West Shelf: Sales

2637. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) How many State Energy Commission personnel are directly associated with promoting and marketing North-West Shelf natural gas to both industrial and domestic customers?
- (2) What are the marketing qualifications of the personnel involved?
- (3) Excluding natural gas the subject of contractual sale to Alcoa of Australia, what daily volume of gas has now been contractually committed to industrial customers in the Perth metropolitan region?
- (4) Have the various industrial customers referred to in (3) all signed binding sales and purchase contracts?

Mr PARKER replied:

- (1) Twenty-five.
- (2) As Minister responsible for this area in the previous Government, the member would be aware of the qualifications and calibre of the personnel in the commission's marketing branch. The marketing group has drawn on persons with

appropriate experience and qualifications from both within the commission and from private industry. Appointments to the more senior positions were made in consultation with a personnel recruitment agency. The group includes persons with professional qualifications in marketing, business administration, commerce, and engineering.

- (3) Information on gas purchases and sales by the State Energy Commission is considered confidential.

- (4) Yes.

FUEL AND ENERGY: ELECTRICITY

Voltage: Policy

2638. Mr PETER JONES, to the Minister for Minerals and Energy:

Is it still the policy of the State Energy Commission to standardise the Western Australian electricity supply system at 240 volts whenever the change can be justified?

Mr PARKER replied:

Yes.

FUEL AND ENERGY: ELECTRICITY

Voltage: Report on Change

2639. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) With regard to a voltage conversion from 250 volts to 240 volts, has the State Energy Commission received a consultant's report recommending that the Western Australian power system be converted from 250 volts to 240 volts?
- (2) Does the State Energy Commission accept the estimate by Dr William Honig that retention of the present voltage was costing consumers up to \$42 million a year?
- (3) Is there a distribution loss of energy within the system if the voltage is reduced?
- (4) If so, will such loss necessitate additional capital expenditure to reinforce the existing system?
- (5) Is the existing voltage "unusually high" as Press reports have suggested?
- (6) Is it still considered that a voltage conversion to 240 volts would result in higher domestic electricity costs?

Mr PARKER replied:

- (1) No.
- (2) No. However, this matter is also being addressed by the consultants.
- (3) Yes.
- (4) The report will address this question.
- (5) No.
- (6) See (4).

FUEL AND ENERGY: ELECTRICITY

Power Station: Bunbury

2640. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) Adverting to the reply given to question 2558 on Thursday, 22 March, has the State Energy Commission made any cost estimate of the support, assistance, overseas travelling and other activities related to its co-operation with Kukje-ICC Corporation and Korea Heavy Industries and Construction Co. Ltd. in the development work associated with the proposed aluminium smelter/power station project in the south-west?
- (2) Will he confirm that no technical assistance has been provided by the State Energy Commission to any Korean company other than that referred to in his reply?

Mr PARKER replied:

- (1) The Government faces a major problem in respect of the marketing and use of gas from the North-West Shelf which is a direct consequence of the commitments for the purchase of gas made by the previous Liberal Government in Western Australia.

The State Energy Commission has devoted substantial effort and expenditure, in co-operation with other arms of Government, to overcoming the problem referred to above. This work relates to a range of investigations for utilisation of surplus gas, including a possible aluminium smelter and associated power station. Work associated with the current smelter initiatives is not related only to the Kukje-ICC Corporation or to Korea Heavy Industries and Construction Co. Ltd. Estimates have not been made of costs related to work with Kukje-ICC and KHIC.

- (2) There have been meetings and discussions with other Korean organisations than those referred to in (1).

ALUMINIUM SMELTER

South-west: Government Equity Participation

2641. Mr PETER JONES, to the Premier:

Has the State Government received any firm requests that it should have direct equity participation in the proposed aluminium smelter for the south-west of the State?

Mr BRIAN BURKE replied:

No, but the question has arisen in the course of discussions. At this point, neither the Government nor the participants have made any decision or expressed any strong views on the matter.

LAND: ABORIGINES

Rights: Inquiry

2642. Mr PETER JONES, to the Minister with special responsibility for Aboriginal Affairs:

- (1) Is he aware that the acting director of the department of Aboriginal sites at the Western Australian Museum, Mr Randolph, made a submission to the Seaman Aboriginal Land Rights Inquiry on behalf of the Western Australian Museum?
- (2) Was the submission approved by the trustees of the Museum before being presented, or does it only represent the views of the department of Aboriginal sites within the museum?
- (3) Is he aware that Mr Randolph is publicly reported as having suggested that registration as a sacred site should be extended to places and areas not known by, or claimed by, Aborigines?
- (4) Is he aware that the submission is reported to propose that if an Aborigine slept under a tree his father once resided under, and had buried his dog under an adjacent tree, this would be enough to deem it a significant site?
- (5) Does the attitude of the department of Aboriginal sites reflect the attitude and policy of the Government?
- (6) If the answer to (5) is "No", will he take immediate action to dissociate the Government from such harmful policies and publicity?

Mr WILSON replied:

- (1) I am aware that a submission was made by Mr Randolph.
- (2) The submission represented the views of staff of the Aboriginal sites department, Western Australian Museum.
Mr Randolph was permitted to raise with the inquiry issues he and his staff believed important, subject to these not being seen as submissions from the Museum, and to matters raised in the trustees' own submission not being commented on specifically.
- (3) and (4) Yes, but the report is inaccurate.
- (5) The views actually expressed by Mr Randolph were consistent with the existing provisions of the Aboriginal Heritage Act.
- (6) Not applicable.

LONDON AGENCY

Staff: Reduction

2643. Mr PETER JONES, to the Deputy Premier:

- (1) With regard to his announcement that the number of persons employed by the Government of Western Australia in the London office will be reduced and the funds thus saved will be used to establish representative offices in South-East Asia, what was the estimated expenditure that would be saved by staff reductions in the London office?
- (2) What surveys and financial assessments have been undertaken in relation to the cost of establishing representative offices in selected locations in South-East Asia?
- (3) What cities and countries are under consideration for establishment of representative offices?
- (4) Is it proposed that Western Australian personnel will be appointed to the various representative offices?

Mr BRYCE replied:

- (1) The steps being taken to rationalise arrangements in the London office have not been finalised but significant savings on present costs are anticipated.
- (2) to (4) Options as to representation in other locations are still being examined.

FUEL AND ENERGY: GAS

Pipeline: Gates and Fencing

2644. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) In regard to tenders for the Dampier-Perth natural gas pipeline, were tenders called for the provision and erection of gates, gateposts and fencing stays to be placed in existing fencelines which were intersected by the pipeline?
- (2) If so, how many tenders were received?
- (3) If no tenders were called or received, what arrangements were entered into for provision and erection of gates and associated fencing?
- (4) What was the cost involved in providing the necessary materials and conducting the erection of the gateway in each fenceline that was intersected by the pipeline?

Mr PARKER replied:

- (1) Tenders were called for provision and erection of gates, gateposts, and fencing stays in boundary fences only in the remote area between Dampier and Geraldton. Intermediate fences were cut and restored by the Mainline Construction contractor, Saipem/ICC.
- (2) Two tenders were received from nine invitations.
- (3) Not applicable.
- (4) Tendered price per gateway opening for the 28 gates was \$1 400.

FUEL AND ENERGY: ELECTRICITY

Power Line: Kalgoorlie-Muja

2645. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) In regard to tenders for the Muja-Kalgoorlie transmission line, were tenders called for the provision and erection of gates, gateposts and fencing stays to be placed in existing fencelines which were intersected by the transmission line?
- (2) If so, how many tenders were received?
- (3) If no tenders were called or received, what arrangements were entered into for provision and erection of gates and associated fencing?
- (4) What was the cost involved in providing the necessary materials and conducting

the erection of the gateway in each fenceline that was intersected by the transmission line?

Mr PARKER replied:

- (1) The tender for the Muja-Kalgoorlie transmission line included the provision and erection of gates, gateposts, and fencing stays as part of the main contract. The contract was awarded to Electric Power Transmission Pty. Ltd.
- (2) Seven tenders were received for the construction of the Muja-Kalgoorlie transmission line.
- (3) The provision and erection of gates and associated fencing were subcontracted by Electric Power Transmission Pty. Ltd. to J. J. Archibald & Co. of Narrogin.
- (4) The cost involved in providing the necessary materials and the erection of gateways in each fence line averaged \$405 for each of the 724 gates.

HEALTH: TRONADO MACHINE

Treatment: Cost

2646. Mr CRANE, to the Minister for Health:

In view of the fact that treatment with the Tronado machine must be given four times in one day, but can only attract benefit of one consultation fee of \$15.15 per day for one treatment followed by radiotherapy but still requires the further three treatments which are not paid for, can he make inquiries with the Federal Minister for Health to ascertain if Tronado treatment can be allocated an item number to attract benefit from Medicare and therefore assist the patients who require this treatment which costs approximately \$100 for the four treatments in one day?

Mr HODGE replied:

I have made repeated representations to the Federal Minister for Health expressing my concern about this matter. I have been informed that in future benefits will be payable on a consultation basis for each separate Tronado treatment, including separate treatments on the same day, provided the doctor attends the patient during each of the separate treatments. Moreover, benefits are payable for both a consultation for Tronado treatment and radiotherapy, when

Tronado treatment and radiotherapy are rendered to a patient consecutively.

RESOURCES DEVELOPMENT

Land: Concessions

2647. Mr PETER JONES, to the Premier:

- (1) Referring to his ministerial statement on resource development deals made on 22 November 1983, should land not have been made available either free or on a concessional basis to attract industry?
- (2) As he finds the package of assistance at Kwinana unacceptable, on what basis is it considered road, rail, water, and power services should have been provided?
- (3) Is the Government prepared to financially assist with road, rail, water, and power services to attract industry to Western Australia at the present time?

Mr BRIAN BURKE replied:

- (1) to (3) The provision of land, infrastructure, and related services is a valuable means whereby this Government, or any other, might attract industries to Western Australia. This Government disputes, however, the need to make very large concessions and to carry a heavy part of the risk on a project without first establishing the means to secure significant and tangible returns to the State and to protect the interests of taxpayers in the event that the project fails or is closed much earlier than was anticipated when the concessions were made.

FUEL AND ENERGY

Electricians: Licensing

2648. Mr PETER JONES, to the Minister for Minerals and Energy:

- (1) Have regulations been drafted to bring the period of training to four years before an electrical worker can be licensed?
- (2) What is the attitude of—
 - (a) the Electrical Contractors Association;
 - (b) the Electrical Trades Union, to any proposed changes?
- (3) When will any changed regulations be gazetted?

Mr PARKER replied:

- (1) No.
- (2) I am presently having discussions with the groups mentioned.
- (3) This will depend upon the outcome of current industry discussions.

HEALTH

Dental: Subsidy Scheme

2649. Mr BRADSHAW, to the Minister for Health:

- (1) Is he aware that the processing of claims for subsidised dental treatment for disadvantaged people in country areas is now taking a much longer period than in the past?
- (2) Is this at his direction?
- (3) Will the processing of claims be hastened in the future?
- (4) Does he intend to continue with the scheme to subsidise low income and other disadvantaged people for dental treatment in country areas where public dental clinics do not exist?

Mr HODGE replied:

- (1) Yes. The number of applications has increased and a "waiting list" has developed.
- (2) The number of claims processed each month relates to budget allocations.
- (3) The matter is under consideration.
- (4) Yes.

PEEL INLET

Channel

2650. Mr BRADSHAW, to the Minister for Works:

- (1) Is the Government responsible for maintaining a navigable channel from the Peel Inlet to Yunderup canals?
- (2) Is this channel of suitable depth at present?
- (3) If so, how long does he anticipate the channel to remain navigable?
- (4) Does he intend to dredge this channel while the dredge is working in the immediate vicinity?
- (5) If not, why not?

Mr McIVER replied:

- (1) Yes, from January 1982.
- (2) No. The developer was directed to carry out maintenance dredging in 1981, but this was not carried out. The developer's maintenance bond was subsequently forfeited.
- (3) The channel can still be used with care by shallow draught boats, and further loss of depth is expected to be gradual.
- (4) and (5) Funds are being sought to allow maintenance dredging of this channel to follow the dredging of the mouth of the Murray River.

2651. *This question was postponed.*

WESTERN AUSTRALIAN DEVELOPMENT COMMISSION

Membership

2652. Mr MENSAROS, to the Premier:

- (1) Would he please say who—
 - (a) the chairman;
 - (b) the directors;
 - (c) chief executive officer and managing officers,
 of the Western Australian Development Commission Office are?
- (2) When were the appointments for (a), (b) and (c) above made?

Mr BRIAN BURKE replied:

- (1) and (2) No appointments have been made to the Board of the Western Australian Development Corporation.

DEPARTMENT OF PREMIER AND CABINET

Accommodation: Cost

2653. Mr MENSAROS, to the Premier:

- (1) Could he please inform the House how much the overall cost has been of moving his office and that of the Department of the Premier and Cabinet from the Superannuation Building to the City Mutual Building?
- (2) From which item of appropriation in the 1983-84 Budget has this amount been sourced?

Mr BRIAN BURKE replied:

- (1) Answered by question 2575 in the Legislative Assembly on 22 March 1984.
- (2) Payment made to date has been from the allocation of supplementary funds to Part 12, Division 70, Item 19,

"Alterations and Improvements—Other Public Buildings", of the Public Works budget.

COMMONWEALTH CROWN SOLICITOR

Corporate Body Status

2654. Mr MENSAROS, to the Premier:

- (1) Is he aware that the Commonwealth Government is preparing to change the office of Commonwealth Crown Solicitor to that of a corporate body called Australian Government Solicitor?
- (2) What is the Government's policy regarding the absence of both the Crown and the Commonwealth in the name of this new body?
- (3) Is the Government intending to take similar steps in Western Australia?

Mr BRIAN BURKE replied:

- (1) Yes.
- (2) The matter is one for decision by the Commonwealth Government alone.
- (3) No.

CULTURAL AFFAIRS

Conservatorium of Music: Establishment

2655. Mr MENSAROS, to the Minister for the Arts:

- (1) Could he please inform the House whether the recently aired hint of establishing a conservatorium of music in Western Australia can be taken as a serious possibility?
- (2) If so, when is the conservatorium planned to be established?
- (3) What sections of music teaching is it proposed to include?
- (4) What number of professional and supporting staff is envisaged to be employed?

Mr DAVIES replied:

- (1) to (4) The conservatorium of music advisory committee no longer exists. It has done its work and its report was published and widely circulated in January 1984. The report contains all the information sought by the member, and I am pleased to make a copy available to him. The recommendations in the report are now being considered by the Minister for Education and the Western Australian Academy of Performing Arts.

CULTURAL AFFAIRS

Conservatorium of Music: Advisory Committee

2656. Mr MENSAROS, to the Minister for the Arts:

- (1) Who are the members of the conservatorium of music advisory committee?
- (2) What are their terms of reference?
- (3) When are they due to report?

Mr DAVIES replied:

- (1) to (3) See answers to question 2655.

SHIPPING

Australian National Line: Bulk Carriers

2657. Mr MENSAROS, to the Minister for Minerals and Energy:

Considering the industrial difficulties and straining of the business relationship between Western Australia and Japanese steel mills as far as the iron ore export goes by Australian National Line's high prices, could he say whether it is factual that Australian National Line is negotiating to sell its four bulk carriers and replacing them with Japanese built new coast carriers?

This question was ruled out of order (see page 6594).

BUILDING INDUSTRY

Superannuation: Portability

2658. Mr MENSAROS, to the Minister for Works:

- (1) Have there been any recent concrete demands and/or threats by industrial unions to introduce portable superannuation and/or portable long service leave entitlement in the building contracting industry, particularly under the direct management or remote supervision of the Public Works Department?
- (2) If so, what was the nature of such demands and/or threats and what did he do about it?

Mr McIVER replied:

- (1) There have been no recent concrete demands and/or threats by industrial unions recorded in the Public Works Department in respect of the introduction of portable superannuation and/or long service leave within the building industry.

- (2) Not applicable.

WATER RESOURCES: METROPOLITAN WATER AUTHORITY

Building: Extension

2659. Mr MENSAROS, to the Minister for Water Resources:

Could he please expand on the statement he made some time ago in connection with the building extensions to the Water Centre, namely that these will be paid from the Metropolitan Water Authority's superannuation fund and "it would not be a cost against metropolitan water users because the debt would be repaid from country water rates"?

Mr TONKIN replied:

It is necessary to distinguish between, firstly, the source of funds for financing the building extensions to the Water Centre and, secondly, the payment of the relevant capital servicing cost.

The funds are being provided from the Metropolitan Water Authority's accumulated provision for superannuation at commercial interest rates. The cost of the funds will be a charge against country water operations which, as the member knows, do receive a subsidy from the Consolidated Revenue Fund. Country water operations will be quite separately accounted from the cost of providing water services to metropolitan water users and will not be a charge against metropolitan rates revenue.

SEWERAGE

Funding: Federal

2660. Mr MENSAROS, to the Minister for Water Resources:

- (1) In view of the possible Federal finance for sewerage works has he made inquiries about the likelihood, characteristic, and extent of such financial assistance?
- (2) Will he apply for such financial assistance and if so, for what works?
- (3) Could he say that any such available finance will be used for additional works not substituting any of those which are projected in the yearly or five-yearly capital programmes?

Mr TONKIN replied:

- (1) As explained in the answer to question 2556 of 22 March 1984, contact has been made but details of the Common-

wealth Government's proposed national coastal pollution and sewerage rectification programme are not yet available.

- (2) and (3) Until the extent of the scheme and the conditions applying to it are known, it is not feasible to make any specific application for funds or identify the projects on which they might be spent.

SHIPPING

Stateships: "Irene Greenwood"

2661. Mr OLD, to the Minister for Transport:

Will he please state what modifications had to be undertaken to the State ship *Irene Greenwood* to bring it to required Australian standard?

Mr GRILL replied:

The following items were documented and upgraded to meet the requirements of the Australian Department of Transport—

- 18-221 Gyro compass and echo sounder
- 30-218 Lifeboat embarkation ladders
- 30-219 Lifebuoy racks
- 30-226 Pilot ladders
- 30-228 Port and starboard accommodation ladders
- 30-200 Lifeboats
- 32-201 Lifeboat equipment
- 32-202 Lifesaving equipment
- 32-203 Portable fire fighting equipment
- 32-230 Sand box
- 32-237 Galley exhaust trunking CO₂ extinguishing system
- 46-215 Modifications to fire mains
- 46-225 Fuel oil tank drain line self-closing valves
- 48-205 } Name and notice plates
- 48-231 } (English language)
- 48-210 } Replace existing engine room
- 211 } insulation by A60 insulation
- 212 }
- 48-233 Door closers
- 48-234 Ventilator notices
- 48-236 Oxygen and acetylene bottle stowage
- 60-217 Embarkation lights for liferaft stations
- 60-223 Navigation lights
- 60-235 General alarm extension for galley
- 60-677 Rearranging 'NUC' (not under command) light sockets

- 83-206 Recast trim and stability data
- 89-216 Draught marks
- 60-564 Radio aerals and additional equipment. Installation of fire dampers to air-conditioning trunking

Also the accommodation was partly modified and expanded to provide for the requirements of the agreed manning of 34 crew to Australian standards.

PARLIAMENTARY SECRETARY OF THE CABINET

Rottneest Island Board: Meetings

2662. Mr MacKINNON, to the Minister for Tourism:

Can he say how the presence of the member for Perth and his ministerial adviser on tourism can be an advantage to the Rottneest Island Board's deliberations when they have no speaking rights at meetings of the board?

Mr BRIAN BURKE replied:

The Deputy Leader of the Opposition must surely appreciate that persons attending a meeting of the board by invitation can be invited to speak on matters relating to their particular area of expertise.

POLICE AND FIRE BRIGADES

Badges

2663. Mr MacKINNON, to the Deputy Premier:

- (1) From whom were the last lot of Police officers' badges bought?
- (2) Where were the badges manufactured?
- (3) From whom were the last lot of Fire Brigade officers' badges bought?
- (4) Where were the badges manufactured?

Mr BRYCE replied:

- (1) From A. J. Parkes (Sales) Pty. Ltd. who hold the necessary dies and tools.
- (2) Queensland.
- (3) From Angle Industries and Sheridans (Western Australia) for cap badges; Stokes Pty. Ltd (Victoria) for badges of rank.
- (4) Western Australia and Victoria.

EDUCATION: PRIMARY SCHOOL

West Lynwood: Enrolment and Staff

2664. Mr MacKINNON, to the Minister for Education:

- (1) What was the staffing level at West Lynwood Primary School at the beginning of this academic year?
- (2) What was the enrolment at the school at that time?
- (3) What is the current staffing level at West Lynwood Primary School?
- (4) What is the current enrolment at the school?

Mr PEARCE replied:

- (1) The staffing level at West Lynwood Primary School at the beginning of this academic year was based on a forecast enrolment of 525 and expected to rise. Principal + 21 staff were allocated, which was plus .4 above the formula.
- (2) The enrolment at the school at the beginning of the academic year was 519.
- (3) Current staffing is principal plus 19.
- (4) The current enrolment is 515 as at 2 April 1984.

PUBLIC SERVANTS AND GOVERNMENT EMPLOYEES

Wages: Increase

2665. Mr MacKINNON, to the Treasurer:

Referring him to question 1594 of 19 October 1983 and question 2585 of 22 March 1984 would he explain how in question 1594 the estimated increase in wages and salaries budgeted for in 1983-84 was \$84.4 million yet in question 2585 the figure was given as \$136.2 million?

Mr BRIAN BURKE replied:

My reply to question 1594 related to the Budget provision of \$84.4 million to meet expected increases in salaries and wages awards granted in 1983-84. My reply to question 2585 related to the provision of \$136.2 million to meet the estimated increase in salaries and wages in total. Apart from including provision for likely award increases to be granted during the year, the \$136.2 million makes allowance for a number of other factors, including the additional cost in a full year of both award increases

granted in 1982-83 and staff appointments made in 1982-83.

STATE FORESTS

Conservator: Resignation

2666. Mr MacKINNON, to the Minister for Forests:

When did Mr Bruce Beggs tender his resignation as Conservator of Forests?

Mr BRIAN BURKE replied:

The member is referred to the answer to question 2135 of 22 November 1983.

HOUSING: LAND

Leeming: Sale

2667. Mr MacKINNON, to the Minister for Housing:

- (1) On what will the funds generated by the sale of State Housing Commission land in Leeming be spent?
- (2) Is this not contrary to the Premier's commitment as reported in *The West Australian* of 6 April 1983 to apply these funds toward financing a family allowance conversion scheme for home buyers?

Mr WILSON replied:

- (1) The funds from the sale of the Leeming land will be used by the State Housing Commission to provide homes for applicants on the waiting list.
- (2) The Premier's statement was made prior to the introduction of the first home owners' scheme by the Federal Government, as explained in answers to other questions. This scheme has been shown to assist families who would have benefited from the proposed family allowance conversion scheme, and any introduction of the latter will depend upon ongoing monitoring of the results of the Federal Government scheme.

HOUSING

Family Allowance Conversion Scheme

2668. Mr MacKINNON, to the Minister for Housing:

- (1) Why has the Government now shelved plans for its proposed family allowance conversion scheme for home buyers?

- (2) Why is it considered that the implementation of the scheme is dependent on the Commonwealth Government's first home ownership scheme?

Mr WILSON replied:

- (1) and (2) The first home owners' scheme is proceeding very satisfactorily and assisting many people who would not otherwise be in a position to purchase a home. This includes the majority of people who would have been assisted under the family allowance conversion scheme.

As the Federal Minister for Housing has indicated that the level of housing activity has now risen substantially and the FHOS will be reviewed in the next few months, I will watch the results of that review very carefully.

HOUSING: LAND

Leeming: Sale

2669. Mr MacKINNON, to the Minister for Housing:

In relation to State Housing Commission land at Leeming in whose name is the land registered?

Mr WILSON replied:

State Housing Commission of Perth.

HOUSING: LAND

Leeming: Sale

2670. Mr MacKINNON, to the Minister for Housing:

- (1) What was the closing date for submissions on the Leeming land recently sold by the Minister?
- (2) How many submissions were received for the Leeming land?
- (3) How many of those others were then considered for negotiation proceeding to final agreement?
- (4) When were the initial unsuccessful applicants advised of the failure of their offer?

Mr WILSON replied:

- (1) 31 January 1984.
- (2) 11.
- (3) 3.
- (4) 2 February 1984.

HOUSING: LAND

Leeming: Sale

2671. Mr MacKINNON, to the Minister for Housing:

In relation to Leeming land what guarantee or undertaking has the Government received from Town and Country Permanent Building Society that its building commitment of 150 houses in 12 months and 350 in three years will be complied with?

Mr WILSON replied:

The contract of sale will require a performance bond for \$150 000.

MINING

Royalties

2672. Mr HASSELL, to the Premier:

- (1) Does he still expect to collect the \$123.3 million budgeted from mining royalties in the current financial year?
- (2) If not, what is the expected surplus or shortfall on the Budget figure, following the pattern indicated in the first nine months of the year?

Mr BRIAN BURKE replied:

- (1) and (2) Figures for the nine months ended March have yet to be analysed; and it is not considered useful to make predictions as to the likely outcome in this area.

MEMBERS OF PARLIAMENT AND PUBLIC SERVANTS

Salaries: Cuts

2673. Mr HASSELL, to the Premier:

- (1) Referring to his estimate last year that \$11 million would be saved through the Public Service and parliamentary temporary wage cuts, and in the light of his admission that some concessions were made on hardship grounds while others on Federal awards were unaffected by the legislation, would he state how many persons had their salaries reduced by the prescribed amount?
- (2) How many persons though qualifying for a salary cut, escaped it because they were covered by Federal awards?
- (3) How many persons had their prescribed cut reduced under the hardship provisions?

- (4) Were there any members of Parliament included in (3) above, and if so, how many?

- (5) In the light of developments subsequent to the original announcement, what estimated savings will accrue:

(a) in 1983-84;

(b) in 1984-85?

Mr BRIAN BURKE replied:

- (1) to (5) Similar questions were asked by the then Leader of the Opposition (the Hon. R. J. O'Connor MLA) (question 2482) and the Hon. C. Rushton MLA (No. 2490) on 20 December 1983.

The answer provided then was that the members would be advised in writing in due course.

The Hon. R. J. O'Connor wrote to me on 8 February 1984 about the answer. I informed him that some applications were to be decided and that a detailed answer would be provided when they had been finalised.

Some applications are yet to be considered by me, and a detailed answer to the question from the Leader of the Opposition will be given when I have decided those applications.

PUBLIC SERVICE: PUBLIC SERVANTS

Salaries: Increases

2674. Mr HASSELL, to the Premier:

- (1) What was the date on which the most recent pay increases granted to State public servants took effect?
- (2) What was the percentage increase?
- (3) What were the wage costs of these increases:
 - (a) in 1983-84;
 - (b) in a full year?
- (4) What is the estimated aggregate cost of these increases for such oncosts as holiday pay loadings, sick leave, long service leave and payroll tax:
 - (a) in 1983-84;
 - (b) in a full year?

Mr BRIAN BURKE replied:

- (1) 30 December 1983.
- (2) 5.96 per cent.
- (3) (a) \$15.3 million;
- (b) \$30.6 million.

- (4) Due to a number of uncertainties, it is not possible to estimate with any degree of accuracy the additional cost of these components. However, additional payroll tax charges are estimated to cost \$549 000 during the current financial year and \$1 084 000 in a full year. These costs would be offset by higher taxation revenue.

EDUCATION: TEACHERS

Salaries: Increases

2675. Mr HASSELL, to the Minister for Education:

- (1) What was the date on which the most recent pay increases granted to State teachers took effect?
- (2) What was this increase?
- (3) What were the wage costs of the increase—
 - (a) in 1983-84;
 - (b) in a full year?
- (4) What is the estimated aggregate cost of these increases for such oncosts as holiday pay loadings, sick leave, long service leave and payroll tax—
 - (a) in 1983-84;
 - (b) in a full year?

Mr PEARCE replied:

- (1) 3 February 1984.
- (2) An average of 3.4 per cent.
- (3) (a) \$5 200 000;
- (b) \$12 760 000.
- (4) (a) and (b) Apart from payroll tax, the current payroll systems within the Education Department cannot provide the expected impact on holiday pay loading, sick leave, and long service leave. However, for payroll tax the impact is expected to be \$235 000 in 1983-84 and \$638 000 in a full year.

MINISTER OF THE CROWN: PREMIER

Overseas Trip: Mr Vince Shervington

2676. Mr HASSELL, to the Premier:

- (1) Would he inform the House in relation to his recent trip to the United States that in view of the fact that he was accompanied by a senior Government Minister—Mr Dans; Director General

of Economic Development—Mr Les McCarrey; Director General of the Department of Premier and Cabinet—Mr Bruce Beggs; Director of the Cabinet Secretariat—Mr Gordon Pearce; Principal Private Secretary to the Premier—Mr Kevin Skipworth and Press Secretary—Mr Ron Barry, why was it necessary to include Mr Vince Shervington, his Ministerial Services Officer, in the touring party?

- (2) In what capacity did Mr Shervington tour the United States?
- (3) As his personal assistant, exactly what duties did Mr Shervington perform that could not be performed by other members of the touring party?
- (4) Have any other Ministers, either of this Government or the previous Government, taken their drivers with them on overseas tours?
- (5) What was the cost to the Government of Mr Shervington's inclusion in the touring party?

Mr BRIAN BURKE replied:

- (1) to (3) As the Leader of the Opposition will be aware, all those people he refers to were not members of the party travelling together throughout the trip. Mr Shervington was responsible for carrying out his duties as ministerial services officer.
- (4) No driver has travelled overseas with Ministers of my Government.
- (5) Air fares for Mr Shervington amounted to \$6 613. It is not possible to identify other costs specifically related to Mr Shervington.

STATE FINANCE: FINANCIAL INSTITUTIONS DUTY

Cool Drink Manufacturing Company: Accounts and Payments

2677. Mr HASSELL, to the Premier:

Is it a fact that a major cool drink manufacturing company in this State is issuing all its accounts from outside the State and receiving payment outside the State in respect of sales made here as a simple and lawful means by which to avoid the payment of Financial Institutions Duty?

Mr BRIAN BURKE replied:

I am not aware of the instance to which the member has referred.

LAND: NATIONAL PARK

Shannon River: Effect on Karri Forest

2678. Mr BLAIKIE, to the Minister for Forests:

- (1) Further to question 2620 of 22 March 1984, has the Acting Conservator of Forests supported the Government's decision to create the Shannon River National Park?
- (2) With the Shannon Basin karri denied as a resource to the hardwood industry, how will this hardwood resource be replaced at the conclusion of working plan 87?

Mr BRIAN BURKE replied:

- (1) The Acting Conservator of Forests has been very supportive in the implementation of Government policy.
- (2) The Government is considering a Forests Department proposal that will enable replacement of the Shannon resource by modified cutting procedures on roadsides and other buffers outside the Shannon Basin.

GOVERNMENT VEHICLES

Number

2679. Mr OLD, to the Premier:

Adverting to question 2539 of 22 March 1984, of the extra vehicles at the Government garage—

- (a) how many are allocated to the Department of Premier and Cabinet, and
- (b) for what purposes and to which officers have the vehicles been allocated?

Mr BRIAN BURKE replied:

- (a) and (b) In keeping with the previous Government's policy, all Government Garage vehicles, other than those allocated for use by Ministers or members of Parliament, are pool vehicles and as such are available for use by all officers of the Department of Premier and Cabinet.
- Some vehicles are allocated for after hours use as required.

2680 and 2681. *These questions were postponed.*

REVIEWS AND INVESTIGATIONS

Number and Cost

2682. Mr HASSELL, to the Premier:

- (1) Will he list each inquiry, study, taskforce, and consultancy currently in progress?
- (2) What is the estimated cost of each—
 - (a) to date;
 - (b) to completion?

Mr BRIAN BURKE replied:

- (1) and (2) The member's request will require substantial research and the diversion of senior officers from other pressing duties.

If the Leader of the Opposition needs information about a specific inquiry, the information will be provided.

I would remind the Leader of the Opposition that when last calculated the average cost of answering a parliamentary question was \$140. A question of this nature would cost substantially more.

STATE FORESTS

Working Plan No. 87

2683. Mr BLAIKIE, to the Minister for Forests:

- (1) When did the Forests Department's prescribed working plan 87 commence and for what term?
- (2) Would he detail changes that have been made to the working plan to date?

Mr BRIAN BURKE replied:

- (1) The Forests Department's working plan 87 was approved in Executive Council on 9 March 1982, to remain in force for a period of five years.
- (2) On 2 August 1983, Executive Council approved amendments to the plan to give the Shannon River Basin the status of a flora, fauna, and landscape priority area so that it can be managed as if it were a national park.

On 24 January 1983, Executive Council approved amendments to the plan to create a northern jarrah reserve to be managed for conservation and recreation purposes.

The details of these amendments are tabled.

The amendments were tabled (see paper No. 686).

LAND: NATIONAL PARK

Shannon River: Survey

2684. Mr BLAIKIE, to the Minister for Forests:

- (1) Further to question 2622 of 22 March 1984, with the Government's decision to stop all cutting in the Shannon River Basin, what surveys or evaluations have been carried out to assess the—

- (a) economic;
- (b) social;
- (c) employment,

effect that its Shannon River policy will have on the

- (i) hardwood timber industry, and
- (ii) towns of—

- (A) Manjimup;
- (B) Northcliffe;
- (c) Pemberton,

in the years following the Government's present commitment to maintain hardwood timber supplies at least to the level prescribed in the Forest Department's working plan 87?

- (2) (a) When was the survey carried out;
- (b) by whom;
- (c) at what cost?
- (3) Would he table a copy of all reports relative to the Government's Shannon River policy?
- (4) What is the Government's policy for the future of the hardwood timber industry and what are the projected employment levels of the hardwood mills in the—
 - (a) Manjimup Shire;
 - (b) Nannup Shire;
 - (c) Augusta-Margaret River Shire;
 - (d) Busselton Shire,following conclusion of working plan 87?

- (5) What is the projected intake of hardwood saw logs in each category in the years following conclusion of working plan 87?

Mr BRIAN BURKE replied:

- (1) to (3) The member's questions were answered in question 2622 of 22 March 1984, and the Government's commitment to maintain hardwood timber supplies at the level prescribed in Forests Department working plan 87 for the life of that working plan was restated.
- (4) and (5) The Government's policy for the future of the hardwood timber industry is to progressively reduce log intakes to sustainable levels as envisaged in general working plan 87. This is likely to follow the general trend shown in the discussion paper entitled "Future Timber Supplies for Western Australia", which is tabled herewith.

Details of projected employment levels and log intakes are not available, but will be resolved in discussion with the individual sawmilling companies before general working plan 87 expires.

In addition, the Government has already initiated action to implement its policies of improving the productivity of the hardwood forest, and the utilisation and marketing of hardwood timbers.

The paper was tabled (see paper No. 687).

RAILWAYS

"Leschenault Lady": Relocation

2685. Mr BLAIKIE, to the Minister for Transport:

- (1) With the Government's decision to re-establish railway yards at Bunbury, what provision has been made for the relocation of the *Leschenault Lady*?

- (2) Has any consideration been given to locating the carriages at Jubilee Park?

Mr GRILL replied:

- (1) and (2) Westrail offered several alternative sites and negotiations are now proceeding with the Leschenault Railway Preservation Society.

FIRES: BUSHFIRES

Board: Membership

2686. Mr BLAICKIE, to the Minister for Lands:
- (1) Who are the members of the Bushfires Board?
 - (2) (a) What is their term of office;
 - (b) what interest area do they represent;
 - (c) when were they appointed?

Mr McIVER replied:

Bush Fires Board

Membership	Terms of Office	Representing	First Appointed
B. L. O'Halloran (Chairman)	For the term of his appointment as Under Secretary for Lands.	Department of Lands & Surveys.	24 September 1979.
R. W. Maslen	3 years.	Local Government & Volunteer Bush Fire Brigades.	10 October 1978.
G. L. Kilpatrick	3 years.	Local Government & Volunteer Bush Fire Brigades.	18 April 1978.
R. K. Cheetham	3 years.	Local Government & Volunteer Bush Fire Brigades.	19 June 1981.
A. G. Justins	3 years.	Local Government & Volunteer Bush Fire Brigades.	5 August 1967.
K. C. Fowler	3 years.	Local Government & Volunteer Bush Fire Brigades.	7 October 1983.
H. C. Kentish	3 years.	Local Government & Volunteer Bush Fire Brigades.	16 January 1982.
G. W. Kelly	3 years.	Timber Industry.	16 January 1982.
R. G. Kirkwood	3 years.	Insurance Industry.	1 July 1976.
J. M. Allen	3 years.	Department of Agriculture.	28 October 1982.
M. F. J. Forkin	3 years.	Commissioner for Police.	16 January 1979.
J. F. Hoare	3 years.	Westrail.	30 August 1980.
D. E. Grace	3 years.	Department of Forests.	28 April 1980.
A. A. Burbidge	3 years.	Wildlife Conservation.	1 June 1978.
C. C. Sanders	3 years.	National Parks Authority.	17 June 1981.
L. W. Broadbridge	3 years.	Bureau of Meteorology.	20 February 1981.

BOATS

Registrations

2687. Mr BLAICKIE, to the Minister for Works:

- (1) What is the total number of boats registered in Western Australia for—
 - (a) commercial;
 - (b) pleasure,
 purposes in each year since 1980?

- (2) What has been the total amount of boat registration fees collected in each category during the period?
- (3) Would he provide a list showing the works that have been carried out in improving boat launching and harbour facilities and the amount spent in each of the years referred to and in which category?

Mr McIVER replied:

- (1) (a) Commercial vessels are not registered in the same manner as private vessels. Commercial vessels operating within the State are, however, surveyed for seaworthiness, for which a fee for services is charged.

The numbers of vessels surveyed in the years referred to were—

1979-80—2 003

1980-81—2 131

1981-82—2 189

1982-83—2 051.

- (1) (b) and (2)

Pleasure Vessels

Year	61 762	434 884
1980-81	60 215	512 096
1981-82	63 067	645 749
1982-83	65 122	709 281

- (3) Yes. A list of works will be prepared in consultation with the PWD and I will let the member have the information in due course.

JETTY

Hardy Inlet

2688. Mr BLAIKIE, to the Minister for Works:

- (1) When will tenders be called for jetty facilities at Hardy Inlet, Augusta?
- (2) When is the project expected to be completed?

Mr McIVER replied:

- (1) It is planned to commence construction with the harbours and rivers branch workforce in mid 1984. The purchase of construction materials has commenced.
- (2) December 1984.

ALUMINIUM SMELTER: SOUTH-WEST

American and Korean Participation: Discussions

2689. Mr BLAIKIE, to the Minister for Minerals and Energy:

- (1) What discussions has he or the Government had with Korean and American consortiums regarding the establishment of an aluminium smelter in the south-west?
- (2) Has the Government had discussions with Reynolds Metals, USA and/or CSR regarding proposed smelter development?
- (3) What level of foreign capital equity does the Government expect will be necessary

to get this important State project underway?

- (4) Has the Government or its officers had any discussion with either the Federal Government or its officers regarding the Federal Government's attitude to foreign capital for this and other projects and with what result?

Mr PARKER replied:

- (1) There have been discussions with Korean and American interests and others regarding the establishment of an aluminium smelter in the south-west, but I do not consider it appropriate to detail such discussions at this time as they are commercially sensitive to work now in progress.

- (2) Yes.

- (3) Negotiations have not yet reached the stage where the necessary level of foreign capital equity is firm. Nor am I able to make any realistic judgment on the level of foreign investment which might finally be adopted.

- (4) There have been discussions with members of the Federal Government and with Federal Government officers regarding the issue of foreign capital. The Federal Government is aware of the importance of the aluminium smelter project; and the level of foreign investment is only one of the matters which will be considered by that Government when a firm project is put forward.

EDUCATION: PRIMARY SCHOOL

Busselton: Maintenance

2690. Mr BLAIKIE, to the Minister for Works:

What is the maintenance programme for the Busselton Primary School in the 1983-84 financial year?

Mr McIVER replied:

External and internal repairs and renovations to the Busselton Primary School are listed on the 1983-84 Consolidated Revenue Fund maintenance programme and have been combined with separately-funded upgrading and additions to be carried out at the school.

Documentation of the total works commissioned to private architects has been completed and is now with the Edu-

cation Department for approval to proceed with the total project.

Routine urgent and minor maintenance works to the school have continued during 1983-84.

EDUCATION: PRIMARY SCHOOL

Margaret River: Maintenance

2691. Mr BLAIKIE, to the Minister for Works:

What is the maintenance programme for the Margaret River Primary School in the 1983-84 financial year?

Mr McIVER replied:

External and internal repairs and renovations to the Margaret River Primary School were not listed on the 1983-84 Consolidated Revenue Fund maintenance programme.

The school has been listed for repairs and renovations on the 1984-85 programme subject to the availability of funds.

Routine urgent and minor maintenance works to the school have continued during 1983-84.

EDUCATION: PRIMARY SCHOOL

Karridale: Water Scheme

2692. Mr BLAIKIE, to the Minister for Education:

(1) When is it expected that a new water scheme will be installed at the Karridale Primary School?

(2) What is the estimated cost of the project?

Mr PEARCE replied:

(1) The middle of June 1984.

(2) \$46 000.

HOUSING

Busselton and Margaret River: Building Programmes

2693. Mr BLAIKIE, to the Minister for Housing:

(1) Would he table the schedule of building programmes showing commencement and completion dates for—

(a) Busselton;

(b) Margaret River?

(2) What endeavour has he made to ensure local builders have the opportunity of tendering for work in whole or part?

Mr WILSON replied:

(1) (a) Busselton 1983-84 building programme—

10 aged persons units—to tender—June

3 x 2 BR townhouses—to tender—May

2 x 3 BR townhouses—to tender—May

4 x 2 BR Duplex—to tender—May

*15 x 3 BR Single Detached Houses—to tender—May

(*one of the single detached went to tender December 1983 completing in June 1984)

(b) Margaret River—

2 x 2 BR Duplex—to tender—May

2 x 3 BR Single Detached Houses—to tender—May

There is a 25-week period from tender to construction completion.

(2) Local builders have the opportunity to tender for all commission work under the public tender system.

For the 1984-85 programme, Busselton builders, at a recently convened meeting, were invited to participate in a "select and construct" programme which gives them opportunity to negotiate contracts with the commission.

Contracts will be released in small groups, other than the 10 aged pensioner units, to give local builders greater opportunity within their organisational resources.

QUESTIONS WITHOUT NOTICE

STATE FINANCE: BUDGET

1983-84: Projection

656. Mr HASSELL, to the Treasurer:

(1) Has he received any advice from the Treasury as to the estimated projected Budget outcome for 1983-84?

(2) If the Budget will not be balanced, what is the estimated amount of the projected deficit or surplus?

Mr BRIAN BURKE replied:

- (1) and (2) Yes, we have received from the Treasury an estimate of the outturn for the Budget for the current financial year. I do not have the papers in front of me, and I will stand correction as a result of that. However, to the best of my recollection, they show that the likely outturn is, unless something is done to counteract it, a deficit in the region of \$4 million. That is the latest estimate, and it represents about half the likely outcome according to the first estimate made a month before, I think. So in effect the Government has pulled back the deficit in that month by about 100 per cent.

I am sure the Opposition will appreciate that we have framed a balanced Budget and that we saw the establishment of the finances and the economy of the State on a very firm footing as one of our priorities. I am confident that with application to the task we will be able to delight the Opposition with our ability to end the financial year with a balanced Budget.

RADIO AND TELEVISION

Local Ownership

657. Mrs BUCHANAN, to the Premier:

- (1) Has he seen Press reports that the Opposition wants the Federal Government to support local ownership and control of WA radio and television broadcasting licences?
- (2) Does this stand accord with Government policy on the issue?

Mr BRIAN BURKE replied:

- (1) and (2) I am aware of the Opposition's attitude as expressed in this matter and I place on record that the continuance of the bipartisan policy previously in evidence—that is, prior to the election of the present Leader of the Opposition—causes the Government some satisfaction. The one thing that is desirable from the State's point of view is a bipartisan attitude in the expression of policies that go to one thing, the public interest. Regardless of the political parties we represent, we all accept that this State is remote in many parts and one in which people who live in remote areas suffer deprivations that we, as residents of the city, do not. From that point of

view I am pleased to note that the bipartisan attitude expressed by the present Leader of the Opposition in this respect is continuing.

Mr Hassell: Have you made a submission to the Federal inquiry.

Mr BRIAN BURKE: I can only say that to the best of my recollection the responsible Minister, the Minister for Regional Development and the North West, made a submission to the inquiry. I do not have evidence of that in front of me. If the Leader of the Opposition wants a detailed answer to the question, I will be happy to provide him with any submission that was made; but, to the best of my recollection, I understand that the Minister has made the State Government's attitude known on many occasions, and this has amounted to a submission being put to the inquiry.

LAND: ABORIGINES

Rights: Canberra Meeting

658. Mr MacKINNON, to the Minister with special responsibility for Aboriginal Affairs:

- (1) Did the Minister attend, with other Ministers, a meeting in Canberra with Federal departmental officers and/or the Federal Minister, in relation to Aboriginal land rights?
- (2) What State Ministers attended?
- (3) Did Mr Paul Seaman attend?
- (4) If so, why?
- (5) What was the subject of the discussions, and what was the outcome?
- (6) Does the Minister agree that Mr Seaman has compromised his position as the person inquiring on behalf of the State Government by involving himself in political discussions with the Federal Government?
- (7) Did the Government obtain any agreement or undertakings from the Federal Government?

Mr WILSON replied:

- (1) to (7) This is the sort of question I would be happy to answer with some notice; however, as it has been asked without notice I will reply in the following vein.

I did attend a meeting in Canberra. No other Minister from Western Australia

was present at the meeting, so the member's little spy or informant was somewhat astray, as usual. Mr Seaman also attended. The Prime Minister and the Federal Minister for Aboriginal Affairs were at the meeting, which was held in the Prime Minister's office. The meeting was a part of the continuing process in which both Governments are working together to ensure that a policy of Aboriginal land rights is achieved in Western Australia in a way which will be in the best interests of the people of Western Australia and which will suit the special conditions and circumstances which apply to Aboriginal communities and others in Western Australia.

As to whether Mr Seaman compromised himself by being involved in the meeting, the member should address that question to Mr Seaman. I am assured by Mr Seaman's competence in all other legal matters that he will be more than able to answer any questions from the member for Murdoch.

QUESTIONS

On Notice: Answers

659. Mr BRIAN BURKE (Premier): Mr Speaker, with your indulgence, I have a further response to give to the Leader of the Opposition in relation to question 2542 asked in the Legislative Assembly. This involves information requested of the Minister for Industrial Relations by the Hon. G. E. Masters in question 42 and by the Leader of the Opposition in the Legislative Assembly in question without notice 625. The information is contained in schedules which were tabled in the Legislative Assembly and in the Legislative Council on 22 March 1984. The information has been further updated, and I seek permission to table the new set of schedules dated 28 March to replace those of 22 March.

Where an award covers a number of employers, it is not possible to provide a breakdown of costs to each department. Total costs on an award-by-award basis have been shown.

The schedules were tabled (see paper No. 669A).

HEALTH: INSURANCE

Medicare: Opposition's "Hot Line"

660. Mr READ, to the Minister for Health:

- (1) Has the Minister received any response from the Leader of the Opposition to the Minister's offer to establish an independent committee to review complaints and queries related to the introduction of Medicare received on the Leader of the Opposition's so-called "hot line"?
- (2) Has he received any indication of what has happened to the allegedly numerous complaints received, and whether any action has been taken to resolve any specific problems identified?

Mr HODGE replied:

- (1) and (2) I regret to advise the member for Mandurah that I have not had the courtesy of a reply, or even an interim acknowledgement of receipt of my letter.

I gather, from reading the newspapers, that the Leader of the Opposition did receive the letter. I offered to set up a non-political committee in co-operation with the Leader of the Opposition to carry out an independent and impartial review of all the complaints apparently phoned through to the Leader of the Opposition's hot line.

I was most disappointed that he was not prepared to co-operate. I was further disappointed that he has not had the courtesy even to reply to my letter.

I took the initiative, after giving him what I thought was a fair time of about three weeks, to make a move; and I have been in contact with various senior medical people, including Professor Eric Saint, who has agreed to act as chairman of an independent committee which will investigate complaints made through the Medicare telephone inquiry line concerning any matter affecting the medical services doctors render, waiting times at hospitals, or virtually any other professional matter related to the introduction of Medicare.

The immediate past president or the current President of the Australian Medical Association will be invited to be on the committee, as well as a senior officer from my Department of Hospital and Allied Services; and there may be some other senior medical men.

I intend the committee to be an independent non-political committee which will examine each complaint and make recommendations to the Government, Medicare, or any other appropriate statutory authority on what action needs to be taken to overcome problems that people face through Medicare.

I am very disappointed that the Leader of the Opposition has apparently decided to treat the complaints phoned through on his line as political ammunition in a political stunt. He made much in the newspapers of the alleged flood of complaints through this line; but to the best of my knowledge he has not communicated any of those complaints to my office or Medicare for investigation.

I can only assume the people who complained or sought information or clarification from him are now considerably frustrated and upset, because they have phoned a senior person in public office and have had absolutely no response, and no action has been taken on their complaints. I can assume only that the Leader of the Opposition established his hot line, not for the purpose of trying to help people to get to the bottom of their problems, but merely to create political ammunition to throw at Medicare and denigrate it.

I have taken the step of establishing the committee, and I hope at this late stage the Leader of the Opposition will reconsider his stance and start directing to the committee the apparent torrent of complaints he has received. If he does that I undertake to ensure that each one is investigated, and if people have genuine complaints and problems, we will do our best to overcome or rectify them.

MINING: URANIUM

Expansion: Federal Minister's Comments

661. Mr PETER JONES, to the Premier:

Does the Premier agree with the Federal member for Fremantle, and the Minister for Finance—

Mr Tonkin: You are seeking an opinion.

Mr PETER JONES—that the further development and expansion of uranium mining in Australia is “inevitable”?

The SPEAKER: Order! The Premier has a responsibility to answer questions on public policy, but not to indicate whether he agrees with comments made by individual persons. If the member rephrases his question, I will give him the call later.

GAMBLING

Casino: Decision

662. Mr GRAYDEN to the Premier:

(1) Has a decision been made as yet in respect of—

- (a) the siting of a casino in the metropolitan area;
- (b) the recipient of the licence to conduct a casino?

(2) Is he aware that a strong rumour is circulating in share market circles that the mining company Mallina Holdings Ltd. has been, or will be, awarded the licence and that as a consequence the shares of the company have sharply increased in price on a large turnover during the last few days?

(3) Is there any factual basis for the rumour?

Mr BRIAN BURKE replied:

(1) to (3) No decision, that I know of, has been made in respect of the granting of a licence to anyone for the running of a casino in Western Australia. As the Opposition knows, we have received and have been in possession of a report on this matter from a committee established by the Government and subsequently reviewed by a subcommittee of the Cabinet. I anticipate that the current considerations will continue probably for this week, and we will then be in a position to make some statement about the matter.

EDUCATION

*"Personal and Social Development" Booklet:
Criticism*

663. Mrs HENDERSON, to the Minister for Education:

- (1) Is the Minister aware of an article written by the Senior Vice President of the State School Teachers' Union published in the 29 March edition of the Education Department's newspaper *WA Education News*, criticising a source booklet entitled "Personal and Social Development" Part 3, produced by the curriculum branch of the department for use by students of social studies in Year 10?
- (2) What are the Minister's views on this booklet, and what action if any does he intend to take to remove those sections which Ms Heine considers to be sexist and inappropriate to the accepted practices of today's society?

Mr PEARCE replied:

- (1) and (2) I did see the article to which the member referred, written by Ann Marie Heine—a rather witty, satirical approach. I must say that prior to seeing Ms Heine's article, I had read the booklet, and while I guess it is difficult to produce a booklet for Year 10 school-children which deals with questions of etiquette and social courtesy, it was my view that it was in fact, as the member stated in her question, inappropriately sexist in many of its comments, and certainly out of date in its statements on etiquette.

I have discussed this matter with the Director General of Education and have asked him to read it through, with a view to having it withdrawn and rewritten.

TRAFFIC: MOTOR VEHICLES

Licences: Pensioner Concessions

664. Mr CLARKO, to the Premier:

Would the Premier consider introducing a concessional deduction for all pensioners, other than those who are currently eligible, on their motor vehicle registration licences?

Mr BRIAN BURKE replied:

I understand that the matter is receiving attention in the review of welfare ser-

vices which is presently proceeding. However, as the member will appreciate, it is one of the questions which is very frequently raised when concessions for pensioners and other disadvantaged people are considered. It is also one of the matters most frequently raised by people seeking an extension to the concessions presently available.

If the review of concessions that is presently being conducted is not looking at this particular matter, I am perfectly happy to cause it to do so.

DEFENCE: SUBMARINES

Construction: Government Action

665. Mr BARNETT, to the Minister for Defence Liaison:

What is the State Government doing to ensure that the submarines for the Royal Australian Navy's replacement programme are built in Western Australia?

Mr BRYCE replied:

Between four and eight submarines will be built for the Royal Australian Navy, to be phased in during the 1990s. Each submarine will cost about \$150 million, so the value of the programme is a minimum of \$600 million, up to more than \$1 200 million.

In addition, during the 20-year life of each submarine extensive maintenance is involved, resulting in the preservation of a big pool of expertise in a skilled work force. A total of at least 1 000 skilled jobs would be created.

The State Government has been most vigorous in promoting the case for the project coming to Western Australia, and in attracting maximum Western Australian participation. In addition a prime site in Cockburn Sound opposite HMAS *Stirling* has been earmarked for the job.

This morning I had talks with the Swedish firm, Kockums, which is one of six overseas tenderers for the project. It is the sixth consortium I have met in the last nine to 10 months. They were very impressed with developments to date and the work done by the local project leader, Clough Engineering Group, in assembling the essential local expertise if the contract is to be won. Following

the meeting, I wrote to the Prime Minister seeking talks on our claims when he is in Perth later this month.

There are many compelling reasons that the submarines should be built in Western Australia, but two in particular can be singled out. The first is that this is a principal opportunity for the Federal Government to put right a wrong that has been done to Western Australia over the last 50 years. The responsibility for that rests essentially with conservative Governments at national level, and to a limited extent, national Labor Governments as well. During that time Western Australia has been neglected in terms of defence facilities. We are the most neglected and vulnerable part of the Australian coast, and for that reason alone an excellent case can be made to establish a submarine building programme, maintenance facility, and operational base here on the west coast.

The second compelling reason, as I understand it, is that a rising tide of support exists for a two-ocean defence policy within the Defence Department and agencies on the east coast. If that is so, it is an excellent reason to argue for the establishment of the submarines here as the first part of that two-ocean policy.

One point that the competing overseas companies have stressed, and I draw it to the House's attention, is that the lack of existing major shipbuilding facilities is not a handicap. In fact, most of the consortiums have indicated to us that a "greenfields project" is in many ways preferable because it means the latest in technology and construction techniques can be readily applied. It means we would not be held back by equipment or traditions and techniques that have been quickly outdated, and outdated methods of construction. This contract is being keenly sought throughout Australia. Our case is not helped when people like the member for Narrogin, who seems to have joined "knockers incorporated", says there is no point in pushing on because he says the contract will go to South Australia.

Mr Peter Jones: I did not say that at all.

Mr BRYCE: It was certainly published in the Press, and it would be interesting to

hear the member retract it or seek a correction if he did not say that.

Mr Pearce: Give him a chance to do it now.

Mr BRYCE: For the information of members, I will indicate the time frame for the project, assuming that the order will involve six submarines. I emphasise that this project is very much medium to long-term. All of the consortiums have indicated they would not begin cutting steel until at least 1987. A great deal of homework and gearing up has to be done before then. The time frame is:

June 1984—Commonwealth Government completes evaluation of tenders.

The SPEAKER: Order! Is this a fairly lengthy reply? Provision exists for ministerial statements to be incorporated in *Hansard*. Members have complained that they do not get enough time to ask questions.

Mr BRYCE: To demonstrate that I have no desire in my heart to surpass the record of the member for Dale when, as a Minister, he answered a question in a most amazing fashion and took so much time, I seek leave to incorporate the last part of the answer in *Hansard*.

Mr Clarko: And volume two.

Mr BRYCE: It is the list of timetable deadlines.

The SPEAKER: Read it out quickly.

Mr BRYCE: It is as follows—

June 1984—Commonwealth Government completes evaluation of tenders.

July 1984—Select phase 1, project definition study contractors.

August 1984—Award contract for study to contractors.

May 1985—Study completed by contractors.

May 1986—Commonwealth Government completes evaluation of study and selects final submarine contractor.

June 1986—Project development phase begins—discussions on project with contractor.

1987—Award contract to contractor. Commence build on assembly facility.

1988—Commence follow on submarine (No. 2). No. 1 may be built overseas or partly built in Australia between 1987-1988.

1989—Complete Australian construction facility.

1991—No. 1 submarine completed.

1993—No. 2 submarine completed.

1994—Commencement of refit facility.

1994—No. 3 submarine completed.

1995—No. 4 submarine completed.

1998—No. 5 submarine completed.

1998—No. 6 submarine completed.

The reason I sought the indulgence of the House to incorporate the timetable was to reinforce in the thinking of certain individuals involved in the political process in this State, principally on the Opposition front bench, the idea that this is very much a long-term project, and one which we intend to see comes to Western Australia.

HOSPITAL: PRINCESS MARGARET

Board of Management: Chairman

666. Mr HASSELL, to the Minister for Health:
The last question was an important one but it reduces question time to a bit of a farce when the Minister takes 11 minutes out of 30 to answer it.

The SPEAKER: Order! The Leader of the Opposition must ask the question.

Mr HASSELL: My question is to the Minister for Health—

(1) In view of Mr Ian Temby's recent appointment as Director of Public Prosecutions in Canberra, will he continue in his position as Chairman of the Board of Management of Princess Margaret Hospital?

(2) If yes, will the cost of his attending board meetings be borne by Mr Temby, the hospital, the State Government, the Federal Government, or someone else; and if so, who?

Mr HODGE replied:

(1) and (2) Yes, Mr Temby does intend to continue as chairman of the board. As part of the agreement when he accepted the position with the Commonwealth it agreed to fund his air fares back to this State on a regular basis. In addition to

his commitment to the State Government with the board of PMH he had a number of other commitments, one of which was with a local government authority. Apparently part of the negotiations and conditions of employment with the Commonwealth Government was that regular air fares—about once a month, but I am not certain—would be provided by the Commonwealth Government to enable Mr Temby to commute to his home State. That is all the knowledge I have of it. He has assured me he is interested in continuing as chairman of the board, for which I am grateful.

Mr Hassell: So it will cost the taxpayer \$12 000 per annum.

BUILDING INDUSTRY

Acts Amendment and Repeal (Industrial Relations) Bill Amendments

667. Mr MacKINNON, to the Minister for Housing:

- (1) Has the Minister undertaken any discussions with building industry organisations concerning the impact that the Industrial Arbitration Act amendments will have on the industry?
- (2) If so, which organisations?
- (3) When did he meet the organisations?
- (4) As a result of the meetings, what impact does he believe the proposed amendments will have on the housing industry?

Mr WILSON replied:

- (1) to (4) Yes, I have attended meetings. I had a meeting last week with representatives of the Housing Industry Association, and I previously had discussions with individual members of the association. I have had discussions with the Director of the Master Builders' Association and with a large number of individuals in the industry. Various members of the building industry gave different predictions about what is to happen. Their predictions are based on fairly poor information to date. Whatever is the outcome, it will be less than the predictions being made. The Opposition would be more responsible if it tried to come to grips with the truth of these issues instead of always trying to score cheap political points.