

Mr McPHARLIN: I move—

That amendment No. 2 made by the Council be agreed to.

Question put and passed; the Council's amendment agreed to.

Report

Resolutions reported, the report adopted, and a message accordingly returned to the Council.

SHEARERS' ACCOMMODATION ACT AMENDMENT BILL

Council's Amendment

Amendment made by the Council now considered.

In Committee

The Chairman of Committees (Mr (Thompson) in the Chair; Mr Grayden (Minister for Labour and Industry) in charge of the Bill.

The amendment made by the Council was as follows—

Clause 8, page 7—Delete all words from and including the word "fired" in line 36 to and including the word "is" in line 38 and substitute the following—

which if fired by wood shall be either sealed against the wall or .

Mr GRAYDEN: This amendment relates to the positioning of stoves in the kitchens of shearers' accommodation. It was made in the other place simply to correct a drafting error in an amendment we accepted the other day. I move—

That the amendment made by the Council be agreed to.

Question put and passed; the Council's amendment agreed to.

Report

Resolution reported, the report adopted, and a message accordingly returned to the Council.

House adjourned at 1.16 a.m. (Thursday).

Legislative Council

Thursday, the 28th November, 1974

The PRESIDENT (the Hon. A. F. Griffith) took the Chair at 2.30 p.m., and read prayers.

QUESTION WITHOUT NOTICE TRANSPORT WORKERS' UNION

Swan Taxis: Award of Damages

The Hon. H. W. GAYFER, to the Minister for Justice:

Concerning the case *Swan Taxis versus the Transport Workers' Union*—

(a) What damages were awarded and to whom?

(b) Have any of the damages been paid?

(c) If not, why not?

The Hon. N. McNEILL replied:

(a) S.W.N. Ltd. \$10 000;
Swan Taxis Co-op Ltd.
\$31 000;

(b) Not as far as the court is aware;

(c) Not known, but court processes by way of examination-in-aid and garnishee orders have failed to indicate funds or assets which could be attached.

QUESTIONS (11): ON NOTICE

1. CONSUMER PROTECTION

Optical Supplies

The Hon. R. J. L. WILLIAMS, to the Minister for Education representing the Minister for Consumer Affairs:

(1) Is it a fact that the Australian Optometrical Association (Western Australian Division) has boycotted the firm of A. G. Thompson and Co., now owned by American Optical Co.?

(2) Is it a fact that the reason for that boycott is that American Optical do not wish to participate in the agreement whereby members of the Australian Optical Distributors and Manufacturers of Australia contribute a fixed percent of profits to the Australian Optometrical Association for "whatever purposes it deems fit" on an annual basis?

(3) Is it not a fact that the imposition of this company results in higher prices of spectacles for consumers?

(4) Is it not a fact that the AOA uses these funds to maintain secretariats in each State on a shoe-string budget?

(5) Will the Minister determine the results of the inquiry into the legality of these arrangements by the Restrictive Trades Practices Bureau in Canberra?

(6) Will the Minister ascertain whether or not the Australian Optometrical Association (NSW) publicly advocated re-election of a Labor Government in May, 1974?

(7) Will he call for an investigation into the boycott of A. G. Thompson and Co. in this State?

The Hon. N. E. Baxter, for the Hon. G. C. MacKINNON replied:

- (1) No. The Western Australian Division of the Australian Optometrical Association (A.O.A.) at a meeting last week decided not to support a boycott of the firm of A. G. Thompson & Co. Pty. Ltd. The A.O.A. believed that to support such a boycott would be to deprive the public of certain products available only from this distributor. Other products would also have to be purchased from one of the other two W.A. distributors, perhaps at a higher price.
- (2) Answered by (1).
- (3) There has been insufficient time to obtain a comprehensive answer to this question.
- (4) The State divisions of the A.O.A. provide funds to the Federal body to be used for various purposes.
- (5) There has been insufficient time to determine the results of this inquiry.
- (6) This information is not available.
- (7) As there has been no boycott of A. G. Thompson & Co. Pty. Ltd. no investigation is considered necessary.

2. GOATS

Commercialisation

The Hon. G. W. BERRY, to the Minister for Justice, representing the Minister for Agriculture:

From what date will the de-commercialisation of goats be effective?

The Hon. N. McNEILL replied:

Subject to further consideration by the Agriculture Protection Board, this will be effective from 30th June, 1975.

3. TEACHERS' AND TECHNICAL COLLEGES

Advisory Committees

The Hon. R. F. CLAUGHTON, to the Minister for Education:

- (1) Which—
 - (a) teachers' colleges; and
 - (b) technical education colleges, have submitted names and sought approval for the appointment of advisory committees which include members of the general community?
- (2) Which of the colleges have received approval for the appointment of the committees?
- (3) Of those which have not received approval, what is the reason for the delay in the granting of approval?

- (4) Is it a fact that approval in some instances has not been given for requests made four months or more earlier?

The Hon. N. E. Baxter, for the Hon. G. C. MacKINNON replied:

- (1) (a) Teachers' Colleges have College Boards established under the Teacher Education Act. They do not have advisory committees.
- (b) Only one technical college, namely the Leederville Technical College, has submitted names and sought approval for the appointment of an advisory committee.
- (2) and (3) No approval has been given to form an advisory committee at the Leederville Technical College since the composition and functions of such a committee are still under discussion.
- (4) No. The above submission was made in early September.

4. ENVIRONMENTAL PROTECTION

City Beach Sand Dunes

The Hon. I. G. MEDCALF, to the Minister for Education, representing the Minister for Conservation and Environment:

- (1) Is the Minister aware of complaints by ratepayers in the City Beach area at the deterioration of vegetation in the sand dunes in the proximity of the local coastal area?
- (2) Is the Minister aware that the erosion may have occurred as a result of the use of trail bikes and the installation of deep water sewerage near the Swanbourne Rifle Range and through other uses of the area?
- (3) Is any study currently being made in this area as to the causes of its deterioration?
- (4) Is any action being taken or planned to be taken by any relevant authority or body with a view to stabilizing the dunes and their re-vegetation?
- (5) If so, what action is being taken or planned, and by whom?

The Hon. N. E. Baxter, for the Hon. G. C. MacKINNON replied:

- (1) The Department of Environmental Protection has received some complaints concerning the use of trail bikes in the City Beach area.
- (2) Dune erosion is normally exacerbated by such activities as those mentioned by the Hon. member.

(3) No specific studies have been carried out by the Department of Environmental Protection at City Beach. However, the department in liaison with the Soil Conservation Division of the Agriculture Department is currently developing experiments to investigate the problems of beach access over fragile dune areas.

(4) The Soil Conservation Division of the Department of Agriculture is actively involved in the very important field of dune stabilization, in liaison with other Government departments and local government authorities as appropriate.

(5) Experimental areas of dune stabilization have been established and advice has been given to various bodies in areas where dune instability and sand mobilization have occurred.

5. LOCAL GOVERNMENT

Rating: Country

The Hon. H. W. GAYFER, to the Minister for Justice, representing the Minister for Local Government:

What are the rates in the dollar to be levied by each town and country local authority in Western Australia during the current financial year?

The Hon. N. McNEILL replied:

The information requested will take some time to compile and will be made available to the Hon. member as soon as possible.

6. NORSEMAN HOSPITAL

Upgrading

The Hon. R. H. C. STUBBS, to the Minister for Health:

(1) Has the Government any plans to upgrade the Norseman district hospital?

(2) If so, what work will be carried out, and at what estimated cost?

The Hon. N. E. BAXTER replied:

(1) Yes.

(2) It is intended to repair and renovate the nurses' quarters and a schedule of work has been sent to the Public Works Department for the preparation of an estimate. Subject to the availability of funds, arrangements would be made for the work to be carried out.

Consideration is being given to a re-organisation of some areas of the hospital to improve functional operation. When agreement has been reached by all concerned, including the hospital board, an

estimate would be prepared for this work and for repairs and renovations to the hospital.

7.

RESEARCH STATION

Salmon Gums

The Hon. R. H. C. STUBBS, to the Minister for Justice, representing the Minister for Agriculture:

(1) Is it intended to upgrade the Salmon Gums Research Station?

(2) If so, what action is planned?

The Hon. N. McNEILL replied:

(1) No. The facilities are considered to be adequate at this time in relation to facilities at other research stations.

(2) Answered by (1).

8.

HIGH SCHOOL

Salmon Gums

The Hon. R. H. C. STUBBS, to the Minister for Education:

(1) What are the criteria in regard to student numbers used when considering the requirement for a junior high school in an area?

(2) Does the Salmon Gums area come within the required number?

(3) (a) If so, when is it intended to provide facilities for a junior high school at Salmon Gums;

(b) if not, what additional numbers would be required on the present enrolments to qualify for a junior high school?

The Hon. N. E. Baxter, for the Hon. G. C. MacKINNON replied:

(1) Regulation 180(A) (1) states: A class I or class II primary school which has an average attendance of over 25 pupils in the first, second and third years of secondary courses may be declared a district high school if the Director-General thinks fit.

(2) and (3) No. As at 1st August, 1974, the enrolment at Salmon Gums Primary School was 64 primary pupils. There were no secondary pupils enrolled at the school.

9.

ELECTRICITY SUPPLIES

Dundas Shire District

The Hon. R. H. C. STUBBS, to the Minister for Education, representing the Minister for Electricity:

Has the State Electricity Commission any plans to provide power for the Dundas Shire Council district, especially the Norseman and Salmon Gums areas?

The Hon. N. E. Baxter, for the Hon. G. C. MacKINNON replied:

With respect to Norseman the commission is investigating the future needs of the town electricity supply, but no definite plan has been formulated.

With respect to Salmon Gums the commission is operating the town electricity supply under the Country Towns Assistance Scheme. The farming area near Salmon Gums and the town of Salmon Gums itself may be supplied in the future from Esperance by means of the Contributory Extension Scheme.

10.

ROADS

Dundas Shire District

The Hon. R. H. C. STUBBS, to the Minister for Health, representing the Minister for Transport:

- (1) Is the Main Roads Department planning any road construction in the Dundas Shire Council district?
- (2) If so, will the Minister indicate where work is contemplated?
- (3) If not, are any funds being provided by the Government to assist in any works in the district?

The Hon. N. E. BAXTER replied:

- (1) Yes.
- (2) Consideration will be given to the allocation of funds in 1975-76 for some reconstruction and widening of the Coolgardie-Esperance Road.
- (3) The shire will receive \$49 186 in statutory grants and \$43 400 for specific roads from the 1974-75 programme of works.

11.

POLICE

Abortion Information Service: Raid

The Hon. R. F. CLAUGHTON, to the Minister for Health, representing the Minister for Police:

Further to my question of the 27th November, 1974, regarding the Abortion Information Service, in answer to parts (1) and (2)—

- (a) would the Minister name who was responsible for authorising the actions referred to; and
- (b) is such a massive response normally taken when complaints of such a petty nature are laid?

The Hon. N. E. BAXTER replied:

- (a) Acting Superintendent Brennan, presently in charge of the Criminal Investigation Branch.

- (b) Illegal abortion is a serious crime, carrying a maximum penalty of imprisonment with hard labour for 14 years, and it was necessary that numerous people be interviewed simultaneously.

FORESTS ACT AMENDMENT BILL

Second Reading

THE HON. N. E. BAXTER (Central—Minister for Health) [2.43 p.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to amend the Forests Act, 1918-72, to provide powers to enable areas of State forests to be quarantined, and to permit regulations for the control procedures necessary to achieve effective quarantine.

The proposals contained in the Bill are of some importance in that they emanate from a thorough examination of a disturbing disease situation currently existing in the State forests. Because of the incidence of the disease, known as jarrah dieback, it is apparent that a serious threat exists in our State forests. The disease affects not only forest productivity, but also flora reserves such as national parks, the survival of many plant species, and the future quality of the water supplies in the south-west of the State.

Jarrah dieback is a disease associated with the fungal pathogen *phytophthora cinnamomi* which attacks the root system of a wide range of trees and plants leading, in many cases, to death.

The incidence of the disease is worldwide and shows its greatest impact on the poorer types of soils. It was introduced into Western Australia, so I am informed, about the turn of the century and its severity is considered to be due to the combination of several factors favouring the pathogen. There are many susceptible species in the south-west of the State, a high proportion of which is covered by old infertile soils, and the marked seasonal rainfall distribution leads to water logging of low lying sites in winter and spring and a high moisture stress in summer.

By force of these circumstances, not only individual species but whole plant communities are being destroyed. This is particularly evident in the jarrah forest where not only the dominant tree species but understorey species and numerous shrubs and herbs are affected.

While the disease causes a serious loss of forest productivity its potential to bring about a major alteration to the hydrological order could prove an even greater problem. Should this occur the effect on water supplies in the south-west would vary according to the presence of salt within the natural landscaping of the area.

The loss of plant cover following extensive attack by this disease results in a major decrease of evapotranspiration and a marked increase in the throughput of water in the deep soil profiles of the Darling Range. Studies show salt is concentrated in the subsoil of the easterly areas of the State forests, and there is good reason to believe that the expected increase in water yield would be associated with greatly increased salinity in water supplies and soils.

The reversal of the cycle through re-establishment of cover would, in many cases, be difficult due to infertility of soils.

The causative pathogen is a microscopic fungus and detection of infection through visual observation of symptoms has limitations in that detection invariably lags behind infection by months, or even years.

By far the most common and serious means of disease spread is through the establishment of new infections through transport by vehicles and heavy machinery of soil containing the pathogen.

Seasonal conditions influence the dispersal of the fungus. When soil is wet it adheres readily to machinery and vehicles, and even though the fungus may be inactive due to low temperature it persists in soil clods dropped by machinery until conditions become more favourable for its growth.

The lag between infection and display of visible symptoms means that in forest operations even though hygiene measures are conscientiously applied there is no certainty that areas apparently uninfected are, in fact, free of the pathogen.

Quarantine of apparently uninfected areas from sources of infection, and this for a sufficient time to allow development of visible symptoms of disease, is necessary to overcome this problem. It would then be possible to identify diseased localities and the boundaries of infection, and to control the artificial spread by appropriate hygiene techniques.

Many forms of control are under study throughout the world but as yet no means of eradicating the disease from infected areas has been discovered. Direct elimination of the fungus is handicapped by its occurrence in the soil which reduces the effectiveness of any surface control treatment.

Under field conditions the elimination of an established infection is unlikely. Whilst it is possible to eliminate the fungus from parcels of soil by steam sterilisation of the soil, or by chemical sterilisation with such agents as Formalin, application of these techniques in the field are unlikely to be either effective or practical.

The disease is primarily an ecological problem in that the susceptibility of almost any species is influenced by environmental conditions. Jarrah, for example, is

far less susceptible on well drained, fertile soils than on water-logged infertile sites. Unfortunately, as I have explained, environmental conditions in the higher rainfall areas of the south-west of the State generally favour the fungus.

There has been an alarming rate of spread of dieback in the south-west during the past twenty years, probably associated, I am advised, with the extensive use of heavy machinery in this period and its frequent movement from place to place.

This has given cause for serious concern about the future of the Jarrah forest and associated plant communities and about the related risk to south-west water supplies if spread of the disease is not restricted.

It is believed the key to control of artificial spread is application of hygiene measures following accurate mapping of infection boundaries. This can be achieved only by effective quarantine of those areas which are at present apparently uninfected for long enough to allow expression of the visual symptoms. On present evidence, this should be three years.

Considering the ultimate consequences of failure to control this disease, it would be most unwise to shorten the quarantine period. Following this, only proven diseased areas need to be quarantined, so that vehicular movement between infected and healthy forest is controlled and subject to hygiene measures.

A recent review of the overall position in relation to this disease which was undertaken by the Forests Department has been examined by the Environmental Protection Authority. The authority supports the proposed quarantine measure as a basis for future hygiene controls and is unable to suggest any alternative course of action, but has stressed the need for a substantial research effort into methods of controlling or arresting the spread of the disease.

From the foregoing, members will gain some appreciation of the seriousness of this matter at this point of time. The Bill provides for restriction of access to quarantined areas by vehicles, plant, and equipment. The restriction will not apply to main roads, nor to people walking in the forest. Access will be provided for essential services such as the State Electricity Commission to private property and for controlled entry by other forest users where this is not incompatible with the objectives of quarantine.

By amendment in another place the Minister agreed, with respect to the constitution of a forest disease risk area to be proclaimed on public land in a prescribed part of the State, that if that land is not vested in Her Majesty or is not under the control or management of

the department, the conservator must notify the person concerned in the land to enable that person to make a submission in the matter. Until such action is taken the Minister shall not make a forest disease recommendation to the Governor.

Furthermore, in clause 10 it is provided that where land held as a mining tenement is in a risk area and the holder intends to explore or exploit a part of it he shall notify the Minister of such intention at least three months before taking such action. This is to enable the Minister—unless he decides in conjunction with the Minister for Mines that approval is not to be given—to define the route of entry to be permitted that person and specify such conditions as are considered necessary.

The proposals contained in the Bill are regarded as of major importance, and members are urged to give their full consideration and support to this measure which I commend to the House.

THE HON. S. J. DELLAR (Lower North) [2.52 p.m.]: As mentioned by the Minister, this Bill is an attempt to deal with the very serious situation which is developing in the jarrah forests of our State, and I am referring to the disease called dieback, scientifically known as *phytophthora cinnamomi*—just to prove I can pronounce it. This matter must not, of course, be taken as a joke because, as the Minister explained, the spread of this disease has increased rapidly in recent years, although the disease itself has been recognised for some 20-odd years.

The Minister explained that with the increasing use of heavy equipment and the development of mining and other activities throughout forest areas in the State, the disease has spread to what can be termed remarkable proportions. Members will be aware, particularly those members who represent forest areas, that the jarrah forests are part of our heritage; quite apart from which they assist the economic stability of the State. At all costs our forests must be preserved to the greatest extent possible. Not only does this disease affect the forests, but when an area is denuded by the actions of the disease, it also causes changes in soil composition and in water catchment areas this can affect the salinity and other properties of our water supplies. It has been mentioned to me that the disease is now apparent in the escarpment on the fringe of the metropolitan area. Of course, this is the water catchment area for much of our city water supplies.

This measure will not only assist to maintain the jarrah timber industry, but also it is a good move environmentally. I note that the legislation was referred to the EPA, and that authority was very pleased with this attempt to control the disease.

The Opposition did not approve of certain provisions in the Bill. However, as the Minister stated, amendments were agreed to in another place and these are now included in the Bill before us. The main objection was to the definition of "Crown land" in the Bill as introduced in another place. As you, Sir, and members know, we do not grow much jarrah up north or in the eastern goldfields, and the original definition in the Bill would have affected the mining industry. The Minister for Mines would have had to confer with the Minister for Forests before agreeing to mining developments on Crown land. This would have been unrealistic when a mining application was made for, say, the Murchison area where there is no jarrah.

Other complications would have arisen in regard to private land and, as I say, the measure was amended in another place with the full concurrence of all members.

I hope this legislation will help to contain the disease, and eventually to eradicate it if this is at all possible. Such a move is in the interests of the preservation of our forest areas.

THE HON. V. J. FERRY (South-West) [2.56 p.m.]: I have pleasure in supporting this Bill. The purpose of the legislation is to protect not only the timber industry of this State, but also, more particularly, the jarrah species. Indeed, the measure is even more far-reaching than that. It is necessary for us to have protective measures, not only to preserve timber species used commercially, but also to retain the plant cover in timber areas. Many species can be affected by this fungi, especially in water catchment areas, and it can jeopardise our water supply by affecting its quality. In the future the disease may affect the quantity of water available to the public. Therefore, the problem is a complex one and the measure before us is a step in the right direction.

Any alteration in forestry country, or indeed, all land covered with vegetation, will eat into our tourist industry potential. I am very much aware that the south-west corner of the State—if I may use that terminology in a very general way—is unique to Australia, and indeed to the world. When one visits the south-west corner one is immediately struck with the contrast afforded by this particular area. Time and time again this fact is remarked on by people from other parts of Western Australia, from other States, and indeed, by all overseas visitors. We must endeavour to preserve this tourist potential. All these matters are included in the overall application of the legislation.

In an endeavour to lessen the effect of this disease, we need a very sensible application of the remedial proposals in the Bill.

Indeed, I believe this will happen. Industry must be allowed to proceed, even in areas affected by the disease. However, generally industry co-operates with the Forests Department and with anyone else charged with the responsibility of protecting our timber.

It has been my personal good fortune to be aware of the very great co-operation that has been experienced particularly from the timber firms. We must appreciate that timber firms have a vested interest in our forest reserves—and I do not begrudge them that, because it is their business—and in turn, of course, they are providing a service to the State by utilising a natural resource. One would hope that guided by our Forests Act we will have, in this State, a forestry industry in perpetuity.

So there needs to be—and of course there is—co-operation between those engaged in timber industries and forestry activities. However, I am aware that people engaged in mining operations are also conscious of this need. I said a moment ago there needs to be a sensible application of these remedial measures so that industry may be allowed to proceed.

In the future when new projects are to be established—and I know this is being done in most cases—we should ensure the protection of the environment and, in a general sense, of industry being developed and continued for the benefit of the people of this State.

It is well known, but I believe it bears repeating, that the timber industry is a classic example of the hackneyed term "decentralisation". The truth is that it does provide employment opportunities where there otherwise would be very little or perhaps no opportunity for employment. The offshoot of that benefit is the associated industries; the processing firms, the furniture trade, the building industry, and so on.

The problem of protecting the forest lands or timber country—and I use that term in a broad sense—is one in which reasonable access must be given to the areas affected so that the general public will not be unduly inconvenienced, but nor should there be any lessening of the essential services to the community in those timber areas—and by essential services, of course, I refer to transportation, and main roads, which will be given some priority of action and movement in those areas; the provision of power lines by the SEC network, water supplies, and recreational tracts for both horseback riding and pedestrians.

These are the things that must be protected, but I hope that with the right educational policies the public will become aware, through publicity, of the need to take care while still in the future enjoying the natural resources without a great deal of inconvenience; bearing in mind that if this is not done, we stand to lose so much in the long term.

I would like to pay a tribute to the work that has been done for several years, and which in recent years has been accelerated by the Forests Department in Western Australia.

It has been my happy experience to realise from personal discussions with officers from the department from time to time, and from discussions with others who are working in association with the department that they have within their ranks some extremely competent people; they have within their ranks some dedicated and very conscientious scientists.

It is at times dangerous to mention names in this context, because so many people are involved in the research work that is being done; quite apart from the overall administration of the department. I would, however, like to take a moment to mention one particular publication which highlights the tremendous amount of research that has been done. I refer to the publication *Jarrah Dieback—A Disease of the Jarrah Forest of Western Australia* by F. E. Batini. This publication is available from the Forests Department of Western Australia.

Another well illustrated and useful publication, which is also available from the Forests Department, is entitled *Miscellaneous Publication No. 1* with the title *Jarrah Root Rot*. This particular publication does illustrate that jarrah dieback, as it is commonly known, is not peculiar to Western Australia. It is almost world-wide in its application. It is known in Great Britain, in Western Europe, on the Continent of Africa, the near east, and also in Central and South America and New Zealand.

So we are not alone in this matter of jarrah dieback; I believe I am right in saying that it is only in recent years, mainly through the efforts of the Forests Department, that it has been highlighted as a very serious disease.

I will not go into the reasons for its being so very virile in Western Australia because this is a deep subject, but I wanted to touch on these matters to illustrate we are passing legislation to safeguard the public interest, and I think credit must be given where it is due. Accordingly I do not hesitate to mention the officers of the department, the department itself, and, indeed, many other people who are not associated with the department but who are working in this common cause.

This disease affects our productivity and I am sure this concerns us a great deal. I have previously mentioned the importance of the timber industry and the produce from the forests in all its various forms.

Because we have this peculiar difficulty with one of our prime hardwoods—the jarrah species—I think it highlights the necessity to develop other species on a commercial basis. In Western Australia we

have embarked on a softwood planting programme designed to fill the gap in the shortfall of timber resource productivity to meet our needs as the natural resources from the hardwood get a little less each year.

To this end the Forests Department has availed itself of Commonwealth funds that have been made available since 1966 under the Softwood Forestry Agreement Act. Funds from this particular source have provided something like 50 per cent of the finance for the planting programme of softwoods in Western Australia. My great concern is, however, that it would appear from the very reliable information given to me that it is very unlikely that this source of funds will be available to Western Australia after 1975 which, of course, is next year.

Therefore if the funds from the Commonwealth are not available for this very necessitous work I fear the long-term development of our timber resources in this State will indeed be in jeopardy. The alternative to these funds will be that the Western Australian Government will be obligated to provide more funds for softwood plantings; and these funds will be provided from loan fund allocations. If this is to be the case it would mean that funds used for this purpose cannot possibly be used for other purposes which may urgently require loan funds.

Of course we all know that loan funds are subjected to many priorities, a few examples being hospitals, schools, and the like. The alternative to using loan funds would be for the department to increase its own timber royalties on forest products, but I am quite convinced the department would be incapable of raising sufficient funds by this means. In fact, I doubt whether it would be desirable for the department to use this method to obtain extra revenue, because in the ultimate it would result in a load being imposed on the production cost of timber produce and any revenue from this source would be purely marginal.

Accordingly, I urge the State Government—I am sure it has and will continue to do so—to press for more funds to be made available by the Commonwealth Government for softwood planting in this State. It is essential for Western Australia to continue this programme. At present the Forests Department is currently planting softwoods at the rate of 2 500 hectares per annum, and the optimum of our needs in this State is approximately 4 000 hectares per annum. This is a fairly restricted programme for our timber resources in this State. Of course, there are many private plantations, and I fully support private forestry.

I understand the department welcomes the actions of private foresters in growing trees because every commercial tree grown by a private individual helps to reduce

our shortfall in forest production which will tend to become acute from 2 000 to 2 010, and I believe in this policy.

Of course, in this uncertain economic age I am aware that private foresters are reluctant to engage in the planting of more pine trees. I say that in the light of the current policy of the Whitlam Government in respect of its reluctance to offer incentives to the private sector. The private sector must be offered incentives, otherwise the money that could be available for investment in timber production will, obviously, be invested elsewhere. This is a pity, because there is a place for the private forester in this State, provided he carries out the planting with the full co-operation of the Forests Department acting as a consultant and guiding influence, bearing in mind there has to be full regard for fire protection and the like.

Also private planting has to be conducted as a co-ordinated effort. I make these points because under this legislation we are trying to protect our hardwoods, our water sources, the tourist industry, and the mining industry. In fact, the metropolitan region depends on the development of our country resources in every way. In addition, I am certain the timber industry would undoubtedly be disadvantaged if its programme is not successful.

Although one could talk at length on this subject, suffice it to say at this time that I support the legislation and I trust its provisions will, in fact, achieve the very objectives that appear to be desirable to contain this scourge of the forest areas. I have no doubt that in the fullness of time and experience other measures will prove to be more effective. I think the Forests Department would be the first to acknowledge that it has made mistakes in the past, because all people and authorities make mistakes.

Because this is a relatively new problem some of the department's remedial moves in the past have perhaps not been ideal and accordingly, as a result of experience it has made recommendations to the Minister for Forests and, indeed, to this Parliament, to take the necessary action.

I would expect that, in the future, we may perhaps have to introduce further legislation to tidy up some anomalies which may become apparent as time goes by. In the interim I believe the Bill is welcomed by Parliament and it can be certain of a speedy passage through the House. I fully support it.

THE HON. T. O. PERRY (Lower Central) [3.16 p.m.]: I support the legislation before the House. It is my opinion that this disease was introduced to the forest areas at the turn of the century, but the spread of the disease has accelerated over the last 20 years. It is acknowledged by many people in the State that

the spread of the disease occurs with the transportation of soil mainly by machinery, bulldozers, and trucks that are used in the forest areas. It is considered that this is one of the factors that has been responsible for the acceleration of the spread of dieback.

When a tree becomes affected with dieback in the first year during the summer months, signs of the disease can be seen in the dead ends of the branches. However, with the return of the winter rains the tree rejuvenates and appears to be quite healthy. With the advent of the second year of infestation in the summer months more dead branch ends will become apparent, but again with the return of winter rains the tree rejuvenates. Usually in the third summer, and the third year of infestation, the disease has obtained such a hold on the roots of the tree that it dies.

In mentioning the spread of the disease through the transport of soil, I would like to mention one aspect to which I do not think the Forests Department has given much consideration. In the Collie-Harvey area along the banks of the Harris and Bingham Rivers there are thousands of wild pigs. These pigs obtain most of their fodder by rooting in the soil, and as they move from area to area they carry a certain quantity of soil with them, and in the areas where the pigs graze miles away from existing and known dieback areas it has been established that the disease of dieback has become apparent among the trees.

I believe the scheme of eradication will have to be extended into these new areas where pigs have been grazing by means of shooting, trapping or poisoning the pigs. Those members who have had experience of wild pigs and the way they graze in open paddocks and forest areas will realise that there is a very real possibility of dieback being spread by them in the forest areas. Only about 1 per cent of the area of this State is forest area and we are fast running out of hardwoods.

Already in the healthy forest areas the Forests Department is restricting the amount of forest country that can be cut annually. So I believe it is only right that we should protect the forests to the best of our ability. With those few words I support the Bill.

THE HON. N. E. BAXTER (Central—Minister for Health) [3.19 p.m.]: I thank Mr Dellar, Mr Ferry and Mr Perry for their contributions to the debate. I was quite interested in what Mr Perry said about the possibility of wild pigs carrying the fungus as they move from one forest area to another. His comment is worthy of note and I will certainly pass it on to the Minister for Forests who may consider

that some investigation into this possible cause of the spread of the disease is worth while.

I commend the Bill to members.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by the Hon. N. E. Baxter (Minister for Health), and passed.

COUNTRY AREAS WATER SUPPLY ACT AMENDMENT BILL

Second Reading

Debate resumed from the 26th November.

THE HON. S. J. DELLAR (Lower North) [3.23 p.m.]: This Bill will have a great effect on the electorate I represent and the electorates of other country members and, for that reason, I suppose the Minister would expect me to support the measure wholeheartedly.

The Hon. N. McNeill: I would indeed.

The Hon. S. J. DELLAR: When I first heard the Minister introduce the Bill I felt inclined to support it, but now I am in the position where I will support it very reluctantly for reasons I will give. It is a classic example of the flexibility of the Government when it can say one thing and mean another, and do certain things which, on the surface, appear to be extremely good.

The Government believes this is a magnificent gesture to the country people of Western Australia, but I intend to point out it is not as great as the Minister or the Government would have the general public believe.

The Bill itself is a very short one, its main purpose being to fix a limit of \$20 on each domestic annual rate. I am referring of course to those people whose properties are rated under the Country Areas Water Supply Act.

As I have said, when I first read the Bill and listened to the Minister I thought this would be a very good idea and believed that I would be welcoming it with open arms. However, although I do not intend to oppose the legislation because it will assist some people—

The Hon. Clive Griffiths: A lot of people.

The Hon. S. J. DELLAR: —It will have a detrimental effect on others. I do not suppose we can have it both ways; but if we take the provision as outlined in the Bill and couple it with the Budget introduced in another place, and certain

actions which are to be taken in respect of country areas water supplies, we will realise the measure is not as grand as it may appear to be on the surface.

Let me explain the position. The areas of the State covered by the legislation are rated and charged for water usage on a different system from that which applies in the metropolitan area where, on payment of the rates, an allocation of so many thousands of gallons is made and can be used without charge. Once that allocation has been used, the consumer must pay for any additional water he uses. On the other hand, in country areas the consumers pay their water rates, which may not be as high as the rates in the metropolitan area, but they must also pay for every single gallon of water they use. While this may be a satisfactory situation in some instances, it has the effect that the more water used annually the more the consumer pays.

When the Minister introduced the Bill he indicated the reasons for its introduction. He said that in various parts of the State the valuation of a house varied for many reasons including the location itself, the cost of building the house, and so on. For instance, the cost differential in country areas is quite remarkable. I am pleased Mr Withers is not here because he would disagree with me, but the cost differential between building a house at Exmouth and in the metropolitan area is 80 to 90 per cent.

The Hon. Clive Griffiths: He is answering the phone.

The Hon. S. J. DELLAR: I was not trying to be critical or nasty. Mr Withers has his opinion of what it costs to do certain things in the north and I have mine. Mine are based on the fact that I have lived there for 12-odd years and have been associated with building costs and I know the difference in the cost of building in Perth and in the north.

The Hon. Clive Griffiths: On what does he base his opinion?

The Hon. S. J. DELLAR: On similar knowledge. The Minister gave us some figures which indicated the varying rates which would apply in country areas, but I will not read the list again. He said this was based on the application of 7.5c in the dollar which is the amount to which the Treasurer said the rate would be increased under the Budget proposal. Previously it was 6c in the dollar.

What I would like to know—and the Minister did not give us any information on this in his second reading speech—is what this measure will cost the State and, conversely, what it will save the people affected by it.

It is all very well to say we will have a flat rate of \$20, but I can quote an instance of a property at Exmouth which is valued at \$343 and on last year's rating of 6c in the dollar the annual rate payable was \$20.58. So if the \$20 is to

be applied across the board, in that particular instance the saving on the rate paid last year would be 58c.

To take that a little further and apply the new rate to be charged—7.5c in the dollar—to a property with a valuation of \$343, the saving comes to \$5.73. On a property with a valuation of only \$200—of which there must be many in the State—applying the rate of 6c in the dollar the property owner would be paying \$12 a year; but under this proposal, and bearing in mind that the increased rate on a property valued at \$200 is 7.5c in the dollar, the property owner will be faced with a rate increase of \$3.

On a property valued at \$250 a year the rates amounted to \$15 under the old charges. To apply the new rate of 7.5c in the dollar the owner of that property will pay \$18.75. Therefore, anybody with a property of such a value that it does not attract rates up to \$20 will be faced with an increase of approximately 25 per cent.

The Hon. Clive Griffiths: But does not the Bill say that if anybody's rates were less than \$20 they would remain at less than \$20?

The Hon. S. J. DELLAR: That is right. This provision will still apply although on a property valued at \$250 the charge will be \$18.75 at the new rate, and that is all that will be paid. That is provided for. However, on the one hand we are giving relief to people who pay more than \$20, and on the other anybody whose rates amount to less than that will be faced with an increase of 25 per cent. So we are giving something on one hand and taking it away with the other.

Under the Country Areas Water Supply Act—and, as I say, one pays for every gallon of water one uses—in the proposals contained in the Budget which is being debated in another place, as announced by the Premier, the charges to consumers of water are to be increased. On the old rates they were paying 20c a thousand gallons for the first 60 000 gallons, 25c a thousand for the next 40 000 gallons, and 30c for every 1 000 gallons over 100 000. On the old charges of 20c and 25c, a consumer who used 100 000 gallons a year would have paid \$22 in addition to the rates payable. On the new charge of a flat 32c for every 1 000 gallons, a consumer of 100 000 gallons a year will pay \$32, which is an increase of nearly 50 per cent.

I come back to the method by which the Treasurer indicated he would increase the rate in the dollar. On page 12 of his Budget document under the heading of "Country Water Supplies"—and I have made a side note "increased water charges"—he had this to say—

The present system of uniform country water charges was introduced on 1st January 1963 when the pay as you use scheme was adopted. Water

rates were fixed at that time at 7.5 cents in the dollar for domestic consumers and 10 cents in the dollar for commercial properties.

We are dealing only with domestic properties. He went on to say—

In 1972, during the rural recession, the rates were reduced to 6 cents and 9 cents respectively as a means of assisting the depressed rural community.

In 1972 the Tonkin Government was in office. The Treasurer does not say any more about that, but that is not the only reason the rate in the dollar was dropped to 6c. While the Tonkin Government appreciated that there was a recession in the rural areas and some relief should be given, other factors were involved.

At that time in certain areas of the State revaluations were taking place which would have had the effect of increasing the rate revenue and the rates payable by the people involved. The Government at that time saw fit to reduce the rate in the dollar from 7.5c to 6c. Another factor to be considered was that in many parts of the State covered by the Country Areas Water Supply Act the water supply is not always the best, through no fault of the Governments concerned. Good water supplies do not exist and it is not possible to obtain suitable supplies to service the people.

I refer particularly to the town of Denham at Shark Bay, where a revaluation was carried out; but the water supply there is so shocking that one would not even put the water in another drink. The water supply is very second-rate and the people rely heavily on mills and bores which also do not provide a very suitable water supply. At the time the revaluations were announced I made representations to the Minister for Water Supplies and pointed this out. He agreed that in this area no action should be taken at that time to adopt the new valuations. However, it is not mentioned in this document that the new valuations have now been adopted by the present Government and the people will pay 7.5c in the dollar for a water supply which virtually does not exist.

The Government has taken steps—which were initiated by the previous Government—to introduce the reverse osmosis system to purify the bore water available at Denham in order that the people may receive a more suitable supply. When I asked questions about the water purification system some two years ago, I was told the department concerned was investigating the possibility of using such plants. But in January of this year, when Mr Stubbs, Mr Leeson, and I made a tour across the Nullabor Plain by road along the railway line, we were surprised to find that at no less than two places—Rawlinna and Forrest—the Commonwealth Railways had been using this type of plant for years

in order to provide water for the occupants of the railway barracks and for fettling gangs.

This took me by surprise. Without bringing political complexions into it, I feel there must be a lack of liaison between Governments when one Government can have a certain system operating in this State, and the State Government is investigating the use of the same system without knowing it is already in use.

Be that as it may, the fact is that the people of Shark Bay must now pay on the new valuation of 7.5c in the dollar. I do not think the excess charge will be applied to them because I am sure they will not bother to use excess water.

It was for those reasons the Tonkin Government in 1972 decided to reduce the rate in the dollar to 6c. I have already discussed what it will cost a person who uses approximately 100 000 gallons of water a year under the Country Areas Water Supply Act. However, one property holder in Exmouth received an account for \$53.06 over and above what he had already paid for water rates; and that account was for water used for only four months—and they were not summer months. I am sure Mr Berry and Mr Withers would agree with me that a person in a high rainfall area such as Albany might well not use 100 000 gallons of water in a year, but that is not so in the remote areas in the north of the State. In those areas 100 000 gallons of water is only a drop in the ocean if one wishes to maintain any sort of garden and to avail oneself of some little luxury. Even if 200 000 gallons a year were sufficient, that would still cost them \$64 a year.

People in those areas have already turned off their sprinklers and are starting to let their lawns die because it is uneconomical to maintain them. In his Budget speech the Treasurer said the charge for domestic water is to be increased to 32c a thousand for the first 100 000 gallons consumed, and that larger increases will be imposed on water consumed in excess of 100 000 gallons. How much will that cost us? We are not told what we will pay after we have used 100 000 gallons.

The Treasurer then said this is to "discourage the wasteful use of water". What a lot of rubbish! If one wishes to have a garden one must have water. It is not so bad for those in Kununurra and other places which have tropical rainfalls, but in Carnarvon and the rest of the Murchison it is essential to have plenty of water to establish a garden.

The Hon. N. McNeill: He could not spell out every part of the State.

The Hon. S. J. DELLAR: Of course he could not. Can the Minister tell me what the charge will be for water used in excess of 100 000 gallons?

The Hon. J. C. Tozer: I can.

The Hon. S. J. DELLAR: I am sure Mr Tozer must be an authority on the matter, because even the Treasurer cannot tell us. If Mr Tozer knows, I think it is about time the members of this House were told what the cost will be.

The Hon. D. J. Wordsworth: He has done a little more research, that is all.

The Hon. S. J. DELLAR: Oh, the voice from the deep south! It is ridiculous for the Treasurer to say that water used in excess of 100 000 gallons will be paid for at a higher rate to discourage the wasteful use of water. I do not waste water, and I know many people in Exmouth who do not waste it. It costs too much to waste. They do not drink it because half the time it is not very good anyway. I know many people probably do waste water; I am not saying all the people in my area are angels. We are told that after we have paid \$32 for 100 000 gallons of water we will be required to pay at a higher rate for additional water. We do not know how much more we will pay but, by golly, we will pay it. Why cannot the Government—any Government—apply the provisions of section 42(1) of the Country Areas Water Supply Act, which states—

(1) Any officer of the Minister may, at all reasonable times, enter upon any land to which water is supplied under this Act, and do all things necessary to ascertain—

(a) what quantity of water has been consumed there;...

That is not difficult because there is a meter at the front of the property which even I can read. The provision then continues—

(b) whether there has been or is any waste, misuse, fouling or contamination of the water;...

So an officer of the Minister has authority under the Act to control the use of water and ensure that people in the north do not waste water on gardens and lawns.

I do not wish to continue further, except to say that on the one hand we are giving something to the people, and on the other we are taking it away from other people. Those people who wish to waste water by planting lawns and gardens will pay more for their water. I ask the Minister what this will cost the people of the north. I can deal only with the rating situation, because that is all the Bill refers to—and I thank you for your tolerance, Sir. If possible I would like the Minister to give me some indication of what people will pay when they use in excess of 100 000 gallons of water. Perhaps a better system might be to allow them 100 000 gallons, and then to charge them 32c or 35c for each 1 000 gallons consumed beyond that figure.

However, let us at least be fair. If we want to encourage people to live in these areas, we must give them some incentive. This measure may assist some people, but it will have a disastrous effect on others. The measure, coupled with the provisions of the Budget, means that people in country areas of this State covered by the Country Areas Water Supply Act will pay a great deal more for the privilege of having available one of man's most common commodities. As far as I am concerned, this Bill is a gimmick, but I must reluctantly support it.

Sitting suspended from 3.48 to 4.08 p.m.

THE HON. J. C. TOZER (North) [4.08 p.m.]: I do not think my colleagues will be surprised to see me rise to speak on this Bill; it is also not surprising that, in many respects, I find myself on common ground with Mr Dellar. After all, we come from a common lineage, both coming from the profession of shire clerks. So, there are many points on which I would agree with Mr Dellar. However, clearly, he paints a picture that is out of perspective and I think it is necessary to correct some of his impressions. I will refer to one or two statements Mr Dellar made as I go along.

The Appropriation Bill (Consolidated Revenue Fund), which we will be considering in due course, foreshadows a rate of 7.5c in the dollar of annual valuation, the previous rate being 6c in the dollar. I think Mr Dellar should have pointed out to the House that, in fact, the rate is fixed by the Minister and therefore it is proper that it be included in the Appropriation Bill. On the other hand, of course, the charge for water consumed is fixed by by-law and, as such, is a departmental or administrative function.

However, this matter has been given wide publicity. I am sure members would have read in the newspaper what the charge was to be for the use of water. Every district officer and Public Works officer through the region, including the Public Works District Officer in the town of Exmouth, is well aware of what the costs of water will be.

The Hon. S. J. Dellar: If there had not been a pilots' strike last weekend, I could have asked him in person.

The Hon. J. C. TOZER: They have known this for some weeks. In point of fact, the local newspaper that circulates through the northern part of Western Australia, including Exmouth, actually published banner headlines a week or so ago stating that the people of Onslow were up in arms about the new water rates. It would seem that the people of Onslow knew about this before the people in Exmouth, who were a little behind the times.

The Hon. S. J. Dellar: I would object to that; they were not. Perhaps they were not informed earlier.

The Hon. J. C. TOZER: I was alarmed to read that the rates would be increased to 7.5c in the dollar of annual valuation, which is the statutory maximum which can be charged.

The Hon. S. J. Dellar: Just as well, too.

The Hon. J. C. TOZER: I think it is getting very tough on rural people when we start charging the maximum that can be charged by Statute.

As Mr Dellar pointed out, the method of rating that is applied to the country water supplies scheme and the Metropolitan Water Supply Sewerage and Drainage scheme varies inasmuch as people in country areas pay a rate and then pay an additional cost per litre for all water used, whereas people in the metropolitan area pay the rate that is struck and receive an annual allowance of water. It is only when they use in excess of that allowance that they start to pay for each litre of water that is used.

I think it is terribly important that members understand what would have happened if in fact this amending Bill had not been presented by the Government. It probably would have been appropriate for Mr Dellar to have discussed this point and indicate what would have happened when commencing the debate for the Opposition, following the Minister's introductory speech.

I have in front of me a lengthy table of figures, showing the charges that would have been imposed for a range of valuations and for a range of water usage. It is not my intention to go through the whole set of figures, as this would be too time consuming; however, I should like to refer to a few examples.

Let us consider, firstly, the case of a country town property which has an annual valuation of \$500, with an annual household water usage of 650 kilolitres, or about 145 000 gallons. Last year that property owner would have paid to the country water supplies \$64.90; this year, without this Bill, he would have paid \$90.80. It is interesting to draw a comparison between those figures and a comparable set of figures for a resident in the metropolitan area.

If the metropolitan resident had an annual valuation of \$500, and used 650 kilolitres of water each year, he would have paid to the Metropolitan Water Board last year an amount of \$38.60; in 1974-75 he would have paid \$50.

Another example from this table of samples covers a wide range of residents. Let us take the case of an annual valuation of \$750, and a water consumption of 900 kilolitres a year. A country resident would

have paid \$96.46 in 1973-74 and \$163.10 in 1974-75, if this amending Bill had not been placed before the Parliament; however, the metropolitan resident with the same valuation and water consumption paid \$53.95 last year and would have paid \$70 this year.

From this range of figures, it is quite clear that last year there were few examples over the entire range of valuations and water usage where the person in the country area was not paying very close to double what the man in the metropolitan area was paying.

I find that the disparity between the amended rates, and the rates that would be payable on the scale if not amended by the Bill, would have increased by up to 20 per cent. Obviously that would be a grave burden for those concerned.

I have before me some figures which I have worked out dealing with the increase in the disparity between the rates for 1974 and those for 1975. In the area served by the Metropolitan Water Board there has been a uniform increase of 30 per cent in the charges. In point of fact, this was the figure used by the Minister for Works when he announced the increased charges by the Metropolitan Water Board some months ago.

I find that the increase in the rates from 1974 to 1975 in respect of country water supplies ranges from 35 per cent to 85 per cent—increasing in proportion with the higher usage of water. These figures apply to the whole of the country water supply system, and not just northern areas.

Because Mr Dellar referred to the figures which the Minister gave in introducing the Bill, I think it is appropriate for me to mention some of the valuations. The officer who gave the Minister the figures did not provide him with the best illustrations; they are rather misleading. Average figures were used, and of course the average figures include certain properties which had very little value. In addition he used figures relating to the available valuations.

In Port Hedland—which has been subjected to a recent revaluation, and applying the rate of 7½c in the dollar on the annual value—the rate levied is shown as \$38. That would mean the property would have an annual valuation of \$500. Quite frankly, I do not think there is a house in Port Hedland which has an annual valuation as low as \$500.

I find that a normal State Housing Commission house—of three bedrooms, timber frame, asbestos clad, and with a galvanised iron roof—has an annual value ranging from \$720 to \$780. Before the tenant of such a house starts paying for any water, the rate is thus \$56. Mr Dellar doubts whether the maximum rate of \$20 will be of benefit.

The Hon. S. J. Dellar: I did not suggest that. You should listen now and again.

The Hon. J. C. TOZER: If the honourable member does not think the maximum rate of \$20 will be of material benefit to people in Exmouth then it must be a very long time since revaluations were last carried out in that town. I suggest that Mr Dellar should see his good friend, the commissioner.

The Hon. S. J. Dellar: For a start, he is not a friend of mine.

The Hon. J. C. TOZER: He should do that and ask the commissioner to have the properties in that town revalued forthwith, because the local authority is missing out greatly on its ability to raise revenue from rating; and clearly the water supply department must be embarrassed by the low maximum rate of 7½c in the dollar.

The Hon. S. J. Dellar: I am paying only \$62.

The Hon. J. C. TOZER: Just south of Exmouth is Carnarvon, and the figure for that town indicated in the Minister's speech is \$35; that is the average figure. I am surprised the figure is as low as that. So, the average person in Carnarvon will improve his position by at least \$15. When the valuations are brought up uniformly throughout the region there is every reason to believe this amending Bill will be of major benefit to every person who is paying rates in the northern part of the State.

I did refer to the valuation of the houses of the State Housing Commission in Port Hedland. We ought to look at the figures, because comments I made previously in this Chamber and to which Mr Dellar has referred indicate the disparity between the valuations of properties in the metropolitan area and those in the northern regions. In Port Hedland, an ordinary asbestos clad, minimum standard house attracts a valuation of \$720 to \$780. Then for a private residence, taking for example a block-veneer house of the type which the mining companies provide for their employees, we find the valuation, for a three-bedroom unit, is from \$1 000 to \$1 100.

There are districts within the Perth City Council area which have also been revalued recently at about the same time as the revaluations were carried out in Port Hedland. The valuation of a three-bedroom, brick veneer house with a sleep-out in the Wembley area is between \$675 and \$750. In other words, the valuation of that property is somewhat less than the valuation of the minimum standard, asbestos clad house in Port Hedland.

This is a surprising state of affairs, and it indicates quite clearly the inflated cost structure in the north, which reflects it-

self in higher rentals and thus in the annual valuations, to the detriment of the people who live there.

In order to obtain a comparison with a lower standard of house in a Housing Commission district, also in the Perth City Council area which has been subject to recent revaluation, I shall take the suburb of Carlisle. In this district the houses of the State Housing Commission are rated at between \$450 and \$500. Clearly the disparity between the valuations in the city and the northern regions is tremendous.

Even if the percentage increase had been the same for the country and the city—but it is not—the compounding effect of the increased rate would be greater in the country than in the city. Taking into account the northern region of the State, including Port Hedland and Exmouth, I suggest the cost to the ratepayer would be at least double on the present scale of rates. This, in fact, is compounded by a further 50 per cent because of the geographically influenced valuation. Of course, the figure is compounded still further by the tremendous need for water, to which Mr Dellar has referred.

I suggest that as a result of the recent revaluation in Port Hedland, and the introduction of the new scale of rates which has compounded the already difficult position, the residents of Port Hedland would be paying four times as much for water as they paid last year, were it not for the amending Bill before us.

The Hon. S. J. Dellar: How many houses are there in Port Hedland which have the high valuation of about \$300?

The Hon. J. C. TOZER: I do not intend to be distracted from my line of thought.

The Hon. S. J. Dellar: If you do not want to give an answer I shall not ask you the question.

The Hon. J. C. TOZER: The valuation for the middle type of brick veneer house in this region, irrespective of age, falls within the range of \$1 000 to \$1 100. A three-bedroom, timber frame, asbestos clad cottage would attract a valuation between \$720 to \$780. "We could expect the newer ones to be valued at \$780, and the older ones to be valued at \$720." That is the answer to the question asked by Mr Dellar.

The Hon. S. J. Dellar: Do you know how many State houses there are in Port Hedland?

The Hon. J. C. TOZER: I am not sure. I suggest there would be about 2 500 houses of all sorts. An important aspect of the Bill is that the Minister has power to fix a maximum rate; and on this occasion he intends to fix the maximum at \$20. This will benefit nearly all the people who are served by country water supply schemes. I feel certain it will confer a benefit on everyone living in the North Province.

There can be only one reason for this amending Bill; and that is to bring about an alleviation of the high charge for water. I would like to think that this is just the start of what the Government will do progressively in closing the disparity gap. Clearly the Government has had pressure exerted on it not only by the Opposition in this Parliament but by its own supporters representing country and northern electorates, to close the disparity gap which at the present time is too wide and proves to be a crippling burden to those who live and work in country and northern regions.

Had it not been for this amending Bill we would not be going in the right direction. I appreciate the fact that the Government is making progress in closing the disparity gap, and in so doing it is now moving in the right direction.

The Hon. R. Thompson: You are lurching forward.

The Hon. J. C. TOZER: I trust the Government hopes progressively to close the disparity gap between the charges for water in the city and country areas, particularly remote areas. The amending Bill does not go far enough, and I would have liked to see it embrace a better deal for industrial consumers. I remind members again that the people in the country areas, unlike those in the city, pay for the water they use.

A large percentage of the service industries do not use a great deal of water; but there are some establishments like abattoirs, not only in my province, but elsewhere in country areas, which are adversely affected. These higher water rates will have a crippling result. I think the abattoir in Broome uses 250 000 gallons of water per day. I would have liked to see some relief provided for these consumers. Perhaps it will be forthcoming from the Government next year. As long as we are moving in the right direction, year by year, perhaps there is no cause for complaint.

Mr Dellar has referred to the fact that the Government adopts valuations; but, of course, it does not. It is a statutory requirement for valuations to be adopted, on the one hand by the local authority for municipal rating, and on the other by the Metropolitan Water Board or the country water supplies scheme. The Government does not adopt valuations in any way.

The Hon. S. J. Dellar: Why do you not be a little more pedantic?

The Hon. J. C. TOZER: Mr Dellar has asked me for some information; and the document I have before me furnishes it. It is in the hands of every water supply office in the North Province, so clearly the people are well aware of the rates set out therein.

I am referring to the figures for domestic rates only. For the first 455 kilolitres the rate is 7c per kilolitre.

The next 227 kilolitres will cost 11c; the next 227 will cost 22c, and for all water used over 909 kilolitres the rate will be 44c. This, in fact, exemplifies what the Premier stated in his document; there is this loading on the unreasonable and wasteful use of water.

If Mr Dellar had read his newspapers—because the statement was published in *The West Australian* and in the papers circulated in the northern parts of the State—he would know the Premier has, in fact, combined the two ranges of 455 kilolitres and 227 kilolitres for the area north of the 26th parallel, and the charge will be at 7c per kilolitre. That is the charge which will apply in the northern parts of the State.

That is the incentive, and it demonstrates the extent to which the Government is prepared, by means of by-laws, to try to remove the harshness as it applies to remote areas in the north where there is an exceptional need for water. I am sorry I had to use this means to inform Mr Dellar of that information.

Again, I say the information is readily available. The figures I have used have been clearly related to the method of rating adopted. I have used the figure of 550 kilolitres, but I will now refer to a figure of 455 kilolitres, because it is equivalent to 100 000 gallons. A consumption of 650 kilolitres is equivalent to 145 000 gallons, and 900 kilolitres is equivalent to 200 000 gallons, or close to it.

The Hon. S. J. Dellar: Where is that explained in the Press release? Where is the figure equivalent to 150 000 gallons? Tell me that.

The Hon. J. C. TOZER: When a statement is published in the Press I do not bring it along with me because I anticipate that everyone who is interested would have read it.

Another point, to which I referred earlier, is that it has to be clearly understood why the Treasurer stated in his Budget speech that the rate would be 7.5c in the dollar. It is too much but, clearly, the money has to be found. The by-laws have been promulgated which will fix the rate at which water consumed will be charged; the cost I have already mentioned. As I also mentioned earlier, I hope the position will improve, year by year, and I anticipate that by the time my first term finishes—

The Hon. S. J. Dellar: It will be the only one.

The Hon. J. C. TOZER: —we will see a parity between the rates charged for water—and also electricity and other basic services—throughout all parts of Western Australia. I have pleasure in supporting the second reading.

THE HON. W. R. WITHERS (North) (4.34 p.m.): I regret I was not present when Mr Dellar spoke to this Bill. I was engaged in a telephone conversation with one of my constituents.

The Hon. S. J. Dellar: I was aware of that.

The Hon. W. R. WITHERS: During 1971, in the first speeches I made in this House, I presented a case for the reduction of water rates in northern areas. In 1971 I provided figures which illustrated there was an inflated rating value on homes in the North Province—as has been shown with recent figures by my colleague, Mr Tozer—and that the rates were more than double those charged in the metropolitan area.

The Hon. S. J. Dellar: We agree.

The Hon. W. R. WITHERS: I am pleased to hear that remark, and I am pleased also to know that the honourable member agrees with the Bill. In fact, he has said so. From the figures which I presented it became obvious that rate values in the north were inflated beyond reason. I also pointed out that water usage in the North Province, which is in a tropical area, was much higher than water usage in the metropolitan area because of various factors.

I mentioned the long period without rain due to the monsoonal climate in the region. I also mentioned the high usage of water because of body perspiration and dust, which means that clothes have to be washed more often than in the city. There is also a lack of drycleaning facilities in the north, and, therefore, clothes have to be washed rather than drycleaned. Because of the high perspiration factor during the daytime, and because of the long periods of heat, there is a much greater usage of water. That has placed a loading on the residents of the north.

Prior to the last election I presented a case to Sir Charles Court, which he accepted. During the election campaign Sir Charles Court promised to do something about the problem. He said he would readjust the rating system in order to give some parity to people living in the north as compared with those living in the metropolitan area. I must say it is most pleasing to see that the Premier, and his Cabinet, have introduced this legislation in such a short period after becoming the Government in order to meet an election promise. I support the measure, and I am sure all other members will support it.

THE HON. N. McNEILL (Lower West—Minister for Justice) (4.37 p.m.): I thank members for their contributions to the debate, and for their support of the Bill. I do not intend to elaborate at any great length in reply.

The Hon. S. J. Dellar: There is not much for the Minister to say.

The Hon. N. McNEILL: Mr Dellar may have some apprehension as to what I might be going to say. However, to ease his apprehension, I think he has been made aware of the information he sought as a result of what Mr Tozer has had to say.

The Hon. S. J. Dellar: The information has not been supplied to the people.

The Hon. N. McNEILL: Mr Dellar raised two queries, and he was somewhat critical inasmuch as he had obviously done some sums to ascertain whether the concessions would benefit water users to the extent claimed by the Government. As a result of his calculations he had the view that the measure was—and to use his words—a gimmick. He believed it would not have the effect which was claimed. In other words, I think he was suggesting—if not, then claiming—that the concessions would not be of the order which the Government indicated.

The Hon. S. J. Dellar: I did not say that. There was no mention of what the people in the north would pay for their water.

The Hon. N. McNEILL: I am prepared to make the proviso that perhaps I have misinterpreted what Mr Dellar said. Nevertheless, I think he based his arithmetic on the wrong premise when he said that water would be charged on the basis of 32c per 100 000 gallons. That was his first error. He was not aware it had been made public that there would also be a concessional allowance, and the former allowance of 100 000 gallons was to be increased to 150 000 gallons.

The Hon. S. J. Dellar: I am aware of that, now.

The Hon. N. McNEILL: That is right; Mr Dellar now knows. I am afraid he dug a hole for himself on this occasion.

The Hon. S. J. Dellar: Would the Minister just inform me what the cost will be above that figure? Although Mr Tozer quoted the figures, I would rather have them from the Minister.

The Hon. N. McNEILL: The figures are spelt out in the Press statement. As Mr Dellar has indicated he was not aware of the statement, or did not sight it, I think I should read what the Premier had to say on the 20th November, 1974. I will not read the whole of the statement because that is unnecessary, but it is necessary to clarify the two queries raised by Mr Dellar. He asked the cost of water in excess of 100 000 gallons and, secondly, the actual cost to the State of the concession to be made available by virtue of this Bill. The Press release, in part, reads—

Under the new scheme, rate payments by domestic consumers

throughout all country areas are to be limited to \$20 a year regardless of valuations.

When application of the 7.5 cents in the dollar of annual value would produce a figure less than \$20, then the lower figure would prevail.

The cost of this concession had been estimated at \$275 000 in the current year. Its benefit to consumers and cost to the Government would rise as valuations increased.

That has already been illustrated by Mr Tozer, when he pointed out that the increased allowances would benefit the consumers. Otherwise, they would have been called upon to pay amounts in excess of \$20. The rate will be limited to \$20.

Perhaps I should also indicate there are signs of fairly concentrated revaluations in the metropolitan area which, in due course, will extend to country areas. It may well be that some areas will be subjected to increased valuations, as a consequence of revaluation in the not-too-distant future, and I am sure that does not cause us any sort of joy. Nevertheless, in terms of water rating, it will be of some benefit to consumers in the north. I refer again to the Press statement and quote—

Consistently higher temperatures north of the 26th Parallel necessitated a higher consumption which imposed extra burdens when paying for water.

As an additional concession in such circumstances, the 7 cents per kilolitre (32 cents per 1 000 gallons) basic price for water would apply to the first 682 kilolitres (150 000 gallons) used—instead of the first 455 kilolitres (100 000 gallons) as elsewhere in the country.

The Hon. S. J. Dellar: Can the Minister give me the figure for the charge over 150 000 gallons? It is not in the statement.

The Hon. N. McNEILL: To continue the Press release—

On the scale recently introduced consumption above 454.5 kilolitres (100 000 gallons) and up to 682 kilolitres (150 000 gallons) cost domestic consumers 50 cents per 4.55 kilolitres (1 000 gallons).

The Hon. S. J. Dellar: That is, 50c for every 1 000 gallons over 150 000 gallons.

The Hon. N. McNEILL: Yes, that is on the scale recently introduced. To continue the Press statement—

Therefore the new arrangement would provide northern residents with an additional allowance of 227 kilolitres (50 000 gallons), at a concessional rate, compared with the Budget announcement for this part of the water consumed.

The cost of that concession will be \$60 000.

It will be recognised that the measure will be of considerable benefit to the people concerned. I am quite sure it will be well and truly appreciated. The Government is, and has been, of course, very mindful of the absolute necessity to reduce water consumption, particularly in the hot northern areas of the State. This fact has been recognised in the measure.

I feel I should comment further on Mr Tozer's remarks. The honourable member spoke about Exmouth and then said that Carnarvon is just down the road from it; I appreciate that this comment was made in the Australian context. Being accustomed to the wide open spaces, we are not surprised to know that, "just down the road" is near enough to 200 miles.

The Hon. S. J. Dellar: A "four-can" trip.

The Hon. N. McNEILL: That is even more of an Australianism, but probably now measured in kilolitres.

Mr Tozer used an expression which must be one of the most over-worked political phrases ever. He said that the measure does not go far enough. His comment related to the disparity between the charges for water supplies in the metropolitan area and those in country areas. This is a long-standing issue. I make no attempt to defend the disparity other than to say—and I am sure Mr Tozer recognises this—that the Metropolitan Water Board is an authority in its own right. The charges for water are not decided by the Government. The board is required to be self-sufficient in terms of finance; it must find its own way and the necessary money for its development. Therefore, it cannot be compared with the functioning of the country water supply which, as we know, is run by the Public Works Department. In round figures the deficit of the operation of this department is something like \$22 million. It is fair enough that this is part of the burden of government, and so recognised. However, if we try to compare the two bodies, we prove that metropolitan consumers are subsidising those in country areas. However, I do not like this argument, because I do not think the two are related.

We must consider the facts in the atmosphere that country water supply is a very expensive undertaking. The burden is accepted by government and unfortunately, because of the circumstances in Western Australia, we have a serious deficit situation in this regard. It will be a long time before we can equate the cost of water in the different areas. I do not think it is necessarily relevant that we should do so.

I appreciate the support the Bill has received, and I commend it to the House.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. Clive Griffiths) in the Chair; the Hon. N. McNeill (Minister for Justice) in charge of the Bill.

Clause 1: Short title and citation—

The Hon. S. J. DELLAR: I do not usually speak to the first clause of a Bill, but I realise this will be my only opportunity to comment on some of the points raised. In his reply the Minister referred me to a Press release. This was mentioned by another member who said that I would have read the Press release had I taken sufficient interest in the matter.

The Hon. N. McNeill: I did not say that.

The Hon. S. J. DELLAR: It was another member. Of course, the Press release does not go as far as indicated. However, the Minister has since filled in the gaps. Actually I am surprised the Minister even bothered to reply to me, because I thought Mr Tozer said just about everything.

The Hon. N. McNeill: He was not speaking on behalf of the Minister.

The Hon. S. J. DELLAR: I did not say that. I have never been subjected to such a sermon as that delivered by Mr Tozer, and I am on the eve of my 38th birthday.

The Hon. R. Thompson: Parsimonious!

The Hon. S. J. DELLAR: He said I did not agree that people in the State who now pay more than \$20 would benefit. I said that those paying more than \$20 would get the benefit. He went on to say that I did not understand anything about valuations, and that the Government does not adopt them anyway. I know that, but if the honourable member wishes to be pedantic, he may be. He then referred to the Press release which I should have read. I did not read it, and it was not brought to my attention until this afternoon. This was an oversight, but I should not be subjected to the comment that I have no interest in my electorate. That question will be answered in 2½ years' time.

Normally I would ignore comments of this type. In the 3½ years I have been here, no other honourable member has attempted to put me on the right track in this way. I am not prepared to accept that the information given by Mr Tozer is correct unless it is verified by the Minister. I do not intend to oppose any clause in the Bill.

Clause put and passed.

Clauses 2 and 3 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

**AGRICULTURAL PRODUCTS ACT
AMENDMENT BILL***Second Reading*

Debate resumed from the 27th November.

THE HON. R. T. LEESON (South-East) [4.55 p.m.]: The Bill before us is to amend the Agricultural Products Act. It contains some small amendments in relation to the marketing of fruit and eggs in particular. With the decline in the export market for fruit, pressure was applied to the local market, and it was found that more stringent control was necessary.

The Bill provides for the marking of eggs and also for the appointment of inspectors which will become necessary when it is passed. I realise we must have sufficient inspectors, but I feel from the legislation we have discussed in this Chamber lately, we are slowly cluttering up the State with inspectors. Nevertheless, in this particular case inspectors are most necessary.

There are minor amendments in relation to the onus of proof on sellers, particularly in relation to the question of whether fruit on their premises is actually for sale. The Minister has two amendments on the notice paper which clarify this situation a little further. The Opposition supports the measure.

THE HON. V. J. FERRY (South-West) [4.57 p.m.]: I support the Bill. At first glance it appears to be a simple measure to amend the Agricultural Products Act. However, it is not quite as straightforward as it may appear. When we relate the provisions of the Bill in respect of the handling of fruit—and I refer particularly to apples—we must have regard for three Acts of Parliament. Not only must we peruse the parent Act, we must also relate the measure to the Fruit Cases Act and the Plant Diseases Act. I would like to refer to the history of the Fruit Cases Act which came into force in 1919. In that year, by coincidence, the Honorary Minister handling the measure in the Legislative Council was the Hon. C. F. Baxter—the father of our present Minister for Health. By another coincidence, the Honorary Minister handling the measure in the Legislative Assembly was the Hon. S. E. F. Willmott, the father of a recently retired member for the South-West Province—the Hon. F. D. Willmott, whom most of us know.

Section 1 of the Agricultural Products Act reads as follows—

This Act may be cited as the Agricultural Products Act, 1929-1968, and shall be read as one with, but shall not affect the provisions of, the Fruit Cases Act, 1919.

So there is a direct connection between the parent Act and the Fruit Cases Act.

I would like to make a quick reference to the origin of, and the provisions contained in, the Fruit Cases Act. One of the matters that caused the Fruit Cases Act to come into being was the necessity to regulate the actual containers in which the fruit was sold. In those days the cases were made of timber and because of the difficulties associated with the shrinkage of the timber it was necessary to legislate accordingly and bring in regulations from time to time.

It is interesting to note that under the Bill there is allowed a tolerance of 2½ per cent for green timber. The average shrinkage of jarrah is 5 per cent and of karri 9 per cent. So seeing there is this large percentage of shrinkage I guess there was a need to bring in the provisions to which I have referred.

The legislation before us is a continuation of the evolution connected with agricultural products, and in the case of fruit it goes back to 1919.

I am very pleased to see there is an amendment on the notice paper to protect the free operations of orchardists in the handling of the fruit on their own properties. Under the clauses which we will debate in Committee later, provision is made to protect the growers from inspectorial services until such time as the fruit is sold.

I would like to compliment the Government for bringing this amendment to the House. Members will realise that the legislation has been at the bottom of the notice paper for a few weeks, during which time representations have been made to the Government through a number of members who represent the fruit growing districts; this was done to ensure that the producers themselves are not unduly hampered by inspectorial services; and in saying that I am conscious of the fact, as is every grower to whom I have spoken, that there is the need to have a regulated industry—and I am now referring to the quality and type of fruit offered for sale.

At this time the apple industry in particular is facing one of the toughest seasons in its history. The traditional markets in the United Kingdom and Europe are virtually nonexistent and very little fruit will be exported in the coming season.

As Mr Leeson has pointed out this will mean there will be a greater volume of fruit with greater pressure being offloaded onto the home market than has been the case previously and, consequently, in the interests of the industry it is essential that only the better quality fruit should reach the consumer.

The industry as a whole is, I believe, in danger of collapse. This has been brought about by a number of reasons. The export

trade—or the lack of markets in overseas countries for the coming season—is, of course, the prime reason. Further to that we have had the experience recently of two apple-juicing processing factories having to cease operations in this State.

One of these factories was established in 1971 for a particular need in Bridgetown. This factory served an excellent purpose. It was established in the heart of the apple country and assisted in what one might call a salvage operation of fruit that would not have otherwise reached the market because of its being below the normal standard required and, accordingly, it could not have been sold.

The processing factory of Plaimar Limited in West Perth produced most of the concentrated juices in this State. That factory handled something like 75 per cent of the product. These outlets have ceased operation and one may justifiably ask why. They have ceased operation because of the action of the Federal Government; a Government which does not understand the situation.

I make no apology for saying that. The Federal Government brought this about by the stroke of a pen. These particular juice factories can only operate economically and viably with the assistance of some incentive. The soft drink manufacturers—that is the manufacturers of carbonated soft drinks in Australia—who, until recently, included 5 per cent fruit juice in any of their soft drinks were permitted an exemption for sales tax purposes. This exemption was permitted on their product.

The apple juice concentrate has proved an ideal product for this purpose and, accordingly, the apple producers benefited to some extent. The Whitlam Federal Government saw fit to do away with this sales tax concession to these manufacturers and, accordingly, they now find they have no need for it because they can use an adequate substitute to take the place of the concentrated fruit juice.

This means, of course, that not only do we lose the outlets concerned with the salvage operation for fruit which otherwise might be tipped out in the dump, but we also lose specially-created decentralised processing plants like the one at Bridgetown, which lasted only three seasons, if my memory serves me right. That factory is in the process of being dismantled and the equipment is being sold.

The Hon. R. Thompson: Would the growers benefit from the \$1.6 million mentioned in the paper this evening?

The Hon. V. J. FERRY: They will undoubtedly benefit from this \$1.6 million. As a matter of fact as a result of an arrangement between the State and Federal Governments and the fruit growers, the apple growers in Tasmania, particularly, will benefit. Without that assistance,

however, the apple industry would virtually collapse. So both Governments have come to the aid of the producer in this context.

The Hon. R. Thompson: The \$1.6 million will more than offset the loss to the growers in connection with fruit juicing.

The Hon. V. J. FERRY: That is not quite correct in its entirety, because the industry is a total industry and, as I understand it, the \$1.6 million is a compensating figure for the loss which would be experienced in the export trade of apples.

The Hon. R. Thompson: That is not anybody's fault other than the buyers.

The Hon. V. J. FERRY: I am not arguing that point; the point I am arguing—and I will continue along the lines on which I have started—is the added outlet to the apple producers which these two factories provided in Western Australia; factories which were established to process fruit which would otherwise not be marketed—which would not have an outlet on the export market or on the home market. That is what I am alluding to.

The Hon. R. Thompson: What sort of figures were they turning out?

The Hon. V. J. FERRY: The figures are interesting. The two factories—those established at Bridgetown and West Perth—processed approximately 15 per cent of the total State apple crop. I suggest that is an extremely important percentage of the total fruit production because it represents an outlet and a salvage operation for fruit which would otherwise not find an outlet either on the export market or on the home market.

The Hon. R. Thompson: You mean for grades below fancy?

The Hon. V. J. FERRY: In addition these factories processed fruit which possibly could be marketed overseas—if this could be taken—because in the main the factories also used Granny Smith apples. Not only do they use substandard fruit but they do include fruit which could be marketed on the home market or overseas; that is if they could sell it.

Very often the factories used this type of fruit as well, so they served a very useful purpose.

It is rather sad to find that the Federal Government has taken this action. I believe in the long term the fruit-juicing process may have had a chequered career because of competition from the ingredients used by the manufacturers of carbonated soft drinks. But until that point was reached the juicing of apples served an extremely important segment of the total apple industry in this State.

I come back to the \$1.6 million to which the Leader of the Opposition referred. The industry desperately needs this assistance,

because without this it would, to all intents and purposes, collapse; and this is quite apart from the other factor of fruit juicing.

There is, however, a bright ray of sunshine inasmuch as the Manjimup canning factory will, we hope, increase its intake of apple processing in the coming 1975 season. I believe it is likely to take 5 000 tonnes or about 250 000 bushels in the coming season.

This will help a little and we will have that outlet. I make the point, however, to help illustrate the difficulties in which the fruit industry—and particularly the apple industry—is in today, and the direct relationship of this to the legislation we have before us to amend the Agricultural Products Act.

The amendments we have in the Bill before us refer in the main to marketing provisions, inspectorial provisions, and new innovations to assist with the prosecution of offenders against the Act.

I want to reiterate that, in my discussion with the large number of growers and others associated with the industry there does not appear to be any difference between them whatever; they wholeheartedly support the intent of the Bill which is to tighten up the sale of substandard fruit, as this refers to size and quality.

Accordingly the provisions in the Bill are, in the main, welcomed by the industry and by the growers, apart altogether from what I might term the dishonest trader. Anyone who trades outside the law must run the gauntlet of his actions.

So, as I have said, this Bill is most welcome and in my view the amendment placed on the notice paper in no way weakens the intent of the Bill; it gives protection to the growers on their own properties because they are given the full right to do what they like with their fruit according to their own discretion and judgment at least until it is offered for sale. Once it is offered for sale it comes under the provisions of selling, and rightly so.

I was grateful to the Minister for Justice for giving me a reply to the following question I asked yesterday—

In respect of the Agricultural Products Bill, 1974, what source of funds will support inspectors and other officers to be appointed under proposed new section 2A(1)?

The Minister replied—

No new appointments are intended to be made.

Certain officers at present gazetted as inspectors under the provisions of the Plant Diseases Act will be appointed as inspectors under the authority of this clause.

The salaries of these officers will continue to be funded from the Consolidated Revenue Fund—Agricultural Vote.

So we have clarified the point that the appointment of additional officers is not intended at the present time. It seems that the existing inspectors have been employed under the Plant Diseases Act, to which I referred earlier. In studying this Bill one has to refer to the three relevant Acts which we are now, more correctly, incorporating into one Statute to deal with these services, which will be called the Agricultural Products Act.

At this time, in referring briefly to the apple industry in this State, one could refer to the parliamentary debates which took place in this Parliament about two years ago on a Bill to establish a statutory marketing authority. Those debates will show us that the Bill was not proceeded with at that time, because of opposition to the measure in some respects. Perhaps the opposition was not completely unfounded. I remind members in this House from time to time that marketing authorities or boards that are established to control any primary product are not always the ideal method of marketing.

During the course of the debate on the Bill that sought to establish an authority to handle apples and pears in this State, I can well recall the New Zealand marketing board being held up as a fine example of a useful operating board. I challenged the statement that was made at the time and I have since watched the situation in New Zealand very closely. I now have in my possession a report compiled by the Australian Apple and Pear Board, dated the 24th October, 1974. This report concludes with the statement that the biggest ever loss has been experienced by the New Zealand Apple and Pear Board at the present time. The actual loss is not shown but it is believed to be about \$3.3 million.

The Hon. D. K. Dans: Does it give any reasons?

The Hon. V. J. FERRY: No, but I would suggest that the reason is, firstly, loss of overseas markets similar to what has been experienced in Australia.

The Hon. D. K. Dans: Did I not see a report in yesterday's paper that the people in your area are calling for the establishment of a board again?

The Hon. V. J. FERRY: There are moves for a statutory marketing authority, but I will refer to that in a moment. I was referring to the situation in New Zealand and the losses that have occurred in the industry in that country due, I think, to the loss of overseas markets, and also to the world economic situation, in which we are all caught. No doubt the devaluation of the dollar would have had a marked effect on the New Zealand production.

In referring to this report issued by the Australian Apple and Pear Board, it would seem that the New Zealand Apple and Pear Board has applied for a subsidy of \$3.340 million, presumably to cover the deficit that occurred over the trading period. Therefore, it would seem that the fruit-growers in that country are certainly up against it, and that we in Western Australia are not orphans in this respect. I therefore consider that assistance at all levels must be given to the producers, and I applaud the continued assistance given this year by the Commonwealth and State Governments. Before any further move is taken to establish a marketing authority in this State, I would like to quote from the official minutes of the 1974 Annual Conference of the Western Australian Fruitgrowers' Association (Incorporated) held on the 17th September, 1974. At that conference the following motion was moved and subsequently carried—

That before any form of Statutory control of apples and pears in Western Australia be introduced, a referendum seeking approval be conducted among growers.

That is a motion moved at the annual conference of the Western Australian Fruitgrowers' Association, held only a few months ago, confirming that before any statutory authority is created in Western Australia for apples and pears a referendum should be held among growers.

This supports the contention held by myself and others a few years ago when we were discussing in this Parliament a Bill to establish a marketing authority. We contended then that the growers should have the right to express themselves in this way. I am pleased that the growers themselves have now confirmed that they would like to have a referendum before any statutory control of apples and pears is introduced in this State. I think they are wise, because, in many instances, once a statutory authority is established new areas of difficulty are often created. Therefore, the establishment of a statutory authority does not present an easy solution to the problem.

I took the trouble to cite the situation existing in New Zealand because it is pertinent to the Western Australian and Tasmanian situation or to any other State in Australia where apples are grown.

The Hon. D. K. Dans: Or potatoes, or beef, or any other primary product.

The Hon. V. J. FERRY: Yes, I agree that all primary production is faced with the difficulty of finding suitable markets, but at the moment I am interested only in the Bill before the House which seeks to deal with agricultural products, and I have referred to the apple and pear situation. I have regard for the fact that this Bill deals with a number of agricultural products, as its title indicates. However, the legislation has been introduced more specifically for the marketing of eggs and fruit.

I believe I have made the points I intended to raise, and again I express my appreciation to the Government for introducing the Bill. I will have more to say during the Committee stage, but for the moment I have pleasure in supporting the second reading.

THE HON. R. F. CLAUGHTON (North Metropolitan) [5.22 p.m.]: I wish to say a few words on the Bill from the point of view of the consumers. I would like to express my own experience as a parent in regard to the purchase of fruit and I hope the Minister, in the implementation of the proposition contained in the Bill, will show some interest in what I am about to say.

To me, the trials and tribulations of the apple and pear growers are understandable and they certainly have my support. Having lived in an apple-growing district for a while over a decade ago, at which time the growers were having difficulties—I do not think the position has changed since then because the industry has continually been in some kind of trouble—I feel I can speak with some knowledge of the subject.

We know that the changed conditions on the European Common Market have seriously aggravated the situation on this occasion. So in some way the growers have to ensure they will present a product that is sought after, otherwise it would appear that the industry in this State will continue to decline. It is sensible, therefore, to look at the local market to try to increase sales of apples in Western Australia. Should they do this, my concern is that growers will, most likely, neglect the needs of one important sector of our community—those people with young families.

Speaking from personal experience, my young family consumed a fairly large quantity of fruit every week until, in more recent years I found, because of the conditions that were applied on the quality and size of the fruit marketed, this tended to make the fruit unattractive and, as a result, my family does not eat the same quantity of fruit as it did previously.

For parents who have young children in the family it is desirable that fruit of a small size should be readily available in retail establishments; the sort of fruit which, these days, tends to be discarded. I suggest to the Minister that he put this suggestion before the representatives of those engaged in the industry, pointing out to them that there is a local market for their fruit which they should try to cultivate. If this were done, and fruit of a small size was marketed particularly for the sector I have mentioned, I feel sure those engaged in the industry would profit.

In speaking to the debate on this Bill, Mr Ferry again took the opportunity to criticise the Australian Government.

The Hon. V. J. Ferry: For good reason.

The Hon. R. F. CLAUGHTON: That all depends on the point of view.

The Hon. V. J. Ferry: The Fruitgrowers' Association takes the same view.

The Hon. R. F. CLAUGHTON: That seems hardly likely when Mr Thompson pointed out to the honourable member that in a recent Press article it was reported that the growers are to receive \$1.6 million.

The Hon. V. J. Ferry: That is beside the point.

The Hon. A. A. Lewis: Within the State it is on a dollar for dollar basis.

The Hon. R. F. CLAUGHTON: That is reasonable. We would hope, indeed, that the State Government would take an interest in its own industries.

The Hon. V. J. Ferry: I acknowledged that and explained the set-up. What are you worrying about?

The Hon. R. F. CLAUGHTON: I am glad to see the honourable member acknowledging that the Commonwealth Government takes an interest in this State. That is the first time this session that there has been any such acknowledgment.

The Hon. N. McNeill: Were you not here last night, or are you just not with us?

The Hon. D. K. Dans: All I hope is that we get some decent fruit.

The Hon. R. F. CLAUGHTON: The way any Government can assist a rural industry is to see that its markets are assured and enlarged. This is the significant difference between the present Australian Government and the Government that was in office previously.

The Hon. V. J. Ferry: What has the present Australian Government done to find markets for the fruitgrowers?

The Hon. R. F. CLAUGHTON: Mr Ferry has purported to have studied this problem for some time, but he did not dwell on that aspect at all. The question that should be asked is: What has the State Government done to find markets for the Western Australian fruitgrowers? What action is it actually taking now?

The Hon. V. J. Ferry: If you took an interest in the matter you would know.

The Hon. R. F. CLAUGHTON: I would expect Mr Ferry to take an interest in it, because there are many apple-growing areas in his electorate. I point out again that the objectives of the Australian Government are directed more along the lines of a grower being able to maintain himself as an independent person who is not simply maintained on subsistence received from Government committees. I think that is the least desirable situation

we could have, and I think more credit should be given to the Australian Government for the work it is doing in the rural sector.

THE HON. N. McNEILL (Lower West—Minister for Justice) [5.30 p.m.]: I do not see the necessity to make any lengthy observation on the contributions made. I think it is sufficient for me to say the measure has received general support.

We are grateful for the comments made, particularly by Mr Ferry. After all, he has a very close and understandable interest in the progress of the legislation. He acknowledged the fact that the Bill has been on the bottom of the notice paper for some little time, but this is not an unusual procedure. On previous occasions agricultural legislation has suffered this fate; indeed this applied to previous legislation on this very subject.

After all, this is the value of Parliament. An opportunity is given for representations to be made, and those representations are heeded thus ensuring that the legislation which is finally agreed to by Parliament has the approval of all concerned.

Mr Cloughton raised a valid point concerning the sale of fruit. He referred to the family situation and indicated that families like to be able to obtain fruit suitable for young children and, more particularly, for large families. However, it must be recognised that even though there be a demand for quality fruit—and by that I do not refer to inferior fruit, but to its size—we must be mindful of the fact that the industry itself has to be considered. This type of fruit may well be an uneconomic crop for growers to produce, harvest, and market and growers must be able to obtain a fair return for their products. We must take the good with the bad and recognise the situation. People must be prepared to pay for what they want. I am not one who believes that these products are overpriced in any way.

Mr Cloughton entered the debate once again with that sensitivity to which I referred yesterday. He tried to defend the Commonwealth Government when there was no occasion to do so in this instance. With regard to his reference to the steps taken by the State Government to find markets, I suggest that before he undertakes to speak on a subject like this he should be better acquainted with it. I have no intention of embarking on a debate in that area on this Bill.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. Clive Griffiths) in the Chair; the Hon. N. McNeill (Minister for Justice) in charge of the Bill.

Clauses 1 to 5 put and passed.

Clause 6: Section 4 amended—

The Hon. N. McNEILL: I move an amendment—

Page 3, lines 5 to 8—Delete all words in the clause and substitute the following—

Section 4 of the principal Act is amended—

(a) by adding after the word "sale" in line four of subsection (1), the passage "or are held in storage for the purposes of sale"; and

(b) by adding after subsection (7) a subsection as follows—

(8) Nothing in this section authorises any inspector to examine, inspect, take samples or possession of, detain, give any order in relation to, or otherwise deal with any fruit whilst that fruit is being held on the property on which it was produced unless that fruit is being offered or exposed for sale on that property.

Reference has already been made to this amendment which is designed to clarify the definition of "sale". Growers and representatives of the industry have given the amendment a great deal of examination and it meets with their approval. It satisfies the requirements concerning the right of control over the sale of fruit to ensure that, in fact, inferior and poor quality fruit does not find its way onto the market to the detriment of the industry and everyone else.

The Hon. V. J. FERRY: I support the amendment and, in doing so, I wish to emphasise the point that in no way will this amendment weaken the intention of the legislation. In no way will it inhibit the inspectors in their duties in an endeavour to maintain quality control of the fruit industry, particularly in regard to the sale of apples.

It will give the right to a producer to handle the fruit in his own way without interference until such time as it is ready for sale. Once the fruit is offered for sale it then comes under the provisions of the Act in that context. The intent of the Bill is to tighten up the provisions involving the sale of substandard fruit and it will enable convictions to be obtained more easily.

Section 5 of the Act deals with the exemptions available to producers, and it is only right that under this provision producers should be given protection on

their own properties until such time as their fruit is ready for sale. I just make the observation that I do not think the amendment detracts from the intent of the Bill or breaks new ground. It merely adds a further exemption.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 7 put and passed.

Title put and passed.

Report

Bill reported, with an amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and returned to the Assembly with an amendment.

DEATH DUTY ASSESSMENT ACT AMENDMENT BILL

Second Reading

Debate resumed from the 27th November.

THE HON. GRACE VAUGHAN (South-East Metropolitan) [5.42 p.m.]: This Bill is one which we intend to oppose most strongly because we consider it is an example of the Government's determination to pursue an elitist policy so that it can give some extra advantage and privilege to a certain section of the community. This means of course that if a certain section of the community is allowed to avoid paying tax in the form of death duties, others will have to pay more either through death duties or some other form of State taxation.

Only about 12 months ago the Tonkin Government introduced legislation to remodel the Administration Act and include new provisions to ensure that people who make settlements which are not vested cannot avoid duty.

The Hon. I. G. Medcalf: There is another section that deals with that. In another section you exonerate settlements.

The Hon. GRACE VAUGHAN: I am referring to the Bill introduced last year by the Labor Party.

The Hon. I. G. Medcalf: But you let them off settlements.

The Hon. GRACE VAUGHAN: That Bill was designed also to prevent persons holding life governor shares from avoiding this type of tax. My party believes that this Bill is typical of the reactionary attitude of the Government, and that is why we intend to oppose it strenuously. Evidently in the 12 months since the legislation was introduced, there have been complaints from the privileged supporters of the Liberal-Country Party coalition and so the Government is reacting in a rather true

Conservative and Tory spirit. This was a social reform, and apparently the Liberal-Country Party coalition does not like social reforms which bring about equity between the persons paying death duty.

I will put the case for the retention of the Act in its present form by quoting my predecessor (the Hon. Jerry Dolan) who was the Minister handling the Bill introduced last year. I quote from page 5583 of Vol. 202 of *Hansard*. In his second reading speech Mr Dolan said—

Other proposals in the Bill are for the purpose of improving equity between taxpayers, and for the protection of revenue. Many of these inequities have developed because of certain loopholes which exist in our current laws. Provisions have been inserted in the Bill for the purpose of overcoming these difficulties and ensuring that all who contribute do so rateably and equitably as a consequence of the death duty legislation.

I am reading only that portion of the speech which relates to the Bill before the House. Mr Dolan went on to say—

The first of these is a new section which has been inserted to overcome an increasing loss of revenue arising from the practice of related persons or organisations "selling" assets interest free which enables the debt to be heavily discounted when that debt forms part of a deceased estate. This is a fairly common and indeed a growing method of avoidance. Its effect may be illustrated in an example I will give.

Take the case of a farmer who decides to make over his property valued at \$200,000 to his son. This property is "sold" under contract of sale to his son for full value, that is \$200,000.

The Hon. I. G. Medcalf: That is irrelevant.

The Hon. GRACE VAUGHAN: It has to do with paragraph (c) of section 10 (2).

The Hon. I. G. Medcalf: No, it does not. It relates to a different section altogether.

The Hon. GRACE VAUGHAN: This can be interpreted as a benefit to the people who receive benefits from an estate. To continue—

The terms of the sale are that it is interest free repayable over 20 years after the date of death. When an asset of this kind, being a debt due to the deceased, forms part of the estate, the debt is discounted because, if it were sold, it attracts no interest and the purchaser has to wait 20 years to obtain his money.

To illustrate the effect of this type of transaction, in the example I have given, the discounted value of \$200,000

over 20 years, on actual valuation, gives a figure of approximately only \$15,000 for the assessment of duty.

I emphasise that members should note that this type of procedure avoids any gift rates of stamp duty, and substantially reduces the amount on which death duties are levied.

The Bill contains a provision which will require "debts" of this kind to be included in the estate at the face value of the amount outstanding at the date of death.

Another device which is receiving increasing use is what is commonly known as the "life governor" share. These particular shares totally control the affairs, assets, and policy of a company during a holder's lifetime but generally revert to face value on his death.

The use of this technique enables a person to carry on his business as if he were, in fact, the sole owner during his lifetime, making all of the decisions in respect of the sale, control, profits disposal policy, and general running of the business, but when he dies—and here comes the sting—the share then reverts to the face value of an ordinary share.

The Hon. Clive Griffiths: That is reasonable.

The Hon. GRACE VAUGHAN: There was then some interplay in which the main actors were you, Mr President, and the Hon. Jerry Dolan, with Mr Heitman playing a walk-on part. After that we come to this—

An example of this type of avoidance of death duty obligation is the case of a company which has 1,000 shares, all of which with the exception of one, are designated as "B" class or ordinary shares, and are issued to various members of the family. The remaining one share is called the "life governor" share and this share controls completely the operation of the whole business.

The effect of this arrangement is to make only a minimal proportion of the value of the assets subject to duty when the owner dies. There are, of course, a variety of variations and shades of this type of arrangement. A provision has been inserted in the Bill accordingly, the purpose of which is to make the value gained by the other shareholders on the death of the holder of the "life governor" share, subject to duty.

This provision will also apply to other avoidance schemes which result in a reduction of the value of the deceased's shareholdings on death.

He went on to say some time would be allowed to enable people to adjust their affairs.

The Hon. Clive Griffiths: There is nothing illegal about that.

The Hon. D. K. Dans: Avoidance has never been illegal. Evasion is illegal.

The Hon. GRACE VAUGHAN: The reason those provisions were described as being in the nature of social reform is that they were introduced to bring about equity; that is, the incidence on all people in the community should be the same.

The Hon. I. G. Medcalf: That is equality, not equity.

The Hon. GRACE VAUGHAN: I am talking about fairness. We cannot possibly bring about equality but we can bring about equity—some fairness in the payment of death duties. By repealing that provision we will be back to where we started, and this is what the Government is worrying about in regard to the people who support it, because the Bill now before us will make a difference to those who comprise about 1 per cent of the people whose estates are declared.

In the report of the State Taxation Department for the financial year 1973-74 we find no complaint, as mentioned in the second reading speech, that confusion has been caused by the provision. The people in the State Taxation Department appeared to be able to cope with it and there has been no report that the introduction of paragraph (c) of section 10 (2) has caused confusion. In fact, the report makes quite interesting reading in that a large part of it is devoted to a description of the new legislation which, it is stated, contains sections for providing additional relief and new sections to improve administration, ensure equity, and protect revenue. The report goes on to say some of the changes which will bring about equity include increases in the surviving spouse and dependent children allowances, etc., and amendments to reduce the level of avoidance. Obviously the State Taxation Department thought those amendments were important improvements to the death duty legislation.

I will be speaking again during the Committee stage but I want to point out a startling admission in the Minister's second reading speech. The Minister said it was hoped that in the future a review of the probate law would be undertaken. I do not suggest people should be levied harshly. All I am saying is the incidence should be the same. The Minister said—

As part of this review it is our intention to ensure protection of family farms and family businesses—

Then in an authoritative way he said—

—as we are proposing in this Bill, but at the same time we will be looking closely at this exemption with a view

to proposing amendments to prevent others from using it to avoid their tax liability, thus forcing a bigger and unfair burden on the remaining taxpayers.

That is exactly what the repeal of this provision will do. It will force a bigger and unfair burden on the remaining taxpayers. Yet the Bill is obviously setting out to bring advantages to one privileged section of the community. We oppose the Bill.

THE HON. I. G. MEDCALF (Metropolitan) [5.55 p.m.]: I listened with interest to the comments of the Hon. Grace Vaughan, thinking she might comment on the subject matter of the Bill. She did so towards the end of her remarks but the first portion of her speech consisted of generalised statements about equity and related entirely to various matters which have no real relationship to what is in this Bill and exactly why the Bill has been introduced.

It is easy to talk about equity or equality and put forward principles to which we would all subscribe—indeed we do all subscribe to those principles. But I believe it is our duty as legislators—and when we enter this House we become legislators in spite of the prejudices we might have had in other walks of life—to examine the words of the Bills put in front of us and not simply take a line based on prejudice which comes from some other quarter. To condemn a Bill on the vague ground that it relates to conservative ideas and does not conform to some principle of equity or equality—call it what one likes—is not good enough in my book and I do not think that is a proper way to criticise, analyse, or present a Bill.

I know that at this stage of the sitting members are not able to examine every Bill but I hope they will take an interest in the actual words of this Bill. It would be a good thing if we could take an interest in the words of every Bill but we cannot do that because there are too many calls on our time and too many Bills. We cannot study every Bill. Sometimes, when looking around the House while a member is speaking, we observe that very little interest is being shown in his speech by other members. This is a great shame and a cause for comment by members of the public who come to look at us from the gallery and also by members of the Press. We sometimes hear comments that so many members were asleep, reading the paper, and so on. Unfortunately, due to the nature of our work, we cannot take an interest in every Bill.

The Hon. R. Thompson: One thing you and I have in common is that we do not go to sleep and we do not read newspapers.

The Hon. I. G. MEDCALF: I do not criticise the Leader of the Opposition, particularly as I have that in common

with him. However, when a member is given the task—as I presume the Hon. Grace Vaughan was—of commenting on a particular Bill, I believe it behoves that member to make a study of the words of the Bill and not merely to speak with prejudice and make vague generalisations about conservatives and reactionaries. Anyone can do that any day in the week, and it is just another form of abuse. It is very easy to abuse people but abuse has never been an argument. One can never win an argument by abusing people, and I believe one must look at the words about which one is speaking when commenting on a Bill. I propose to do that.

This Bill has nothing whatever to do with the provision which occurs in section 49 of the Act, which we passed last year and which provides that when a person arranges for the sale of a farm on long terms he is assessed at the nominal or face value of terms. That is what the Hon. Grace Vaughan referred to. That provision was passed last year. The Bill now before us does not refer to that at all. It refers to subsection (2) (o) of section 10, dealing with life governor shares. If the honourable member examines that section she will find it deals with a whole host of things as well as life governor shares, but not the things she was referring to.

This subsection was the subject of criticism last year when the Bill was before Parliament, and it has since been the subject of further criticism by members of the Law Society, which society I have heard the Hon. Grace Vaughan extolling on other occasions. The provision was the subject of criticism by members of that society and by seminars which have examined the legislation since it was passed last year. They have asked, "What on earth does section 10 (2) (o) mean?"

They have also made another significant comment: "What on earth did Parliament think it was up to? In one section it relieved settlements of death duty liability if they were made more than three years before a person's death." I point out that Mrs Vaughan referred to these settlements. It has also been said at the seminars, "One of the good things the Tonkin Government did was to exonerate settlements made more than three years before death, but then they were brought back in again under section 10 (2) (o)."

That criticism has been made in various quarters by people who have studied the legislation carefully since we passed it in 1973. While on the one hand we relieved settlements from duty provided they were made more than three years before a person's death, on the other hand in paragraph (o) we included settlements as well as life governor shares; and those settlements may have been made by a deceased person at any time during his lifetime.

Briefly, that means that someone made a settlement which would take effect on his death; in other words, he gave some

property to a person but declared, "On my death that will go to someone else." Paragraph (c) brings those settlements back into his estate, even though he got rid of the property years ago and has had no actual interest in it for many years. But because he dies, and he is the person who originated the settlement some years ago and gave the property away, it comes back into his estate and his relatives must pay duty on it.

The Tonkin Government very wisely and properly last year exonerated settlements because it said, "If a man gave away his property some years ago to his relatives, and he has no further interest in it, why should we take it back into his estate, so long as he did not give it away within three years of his death?"

If he did give it away within three years of his death, it will attract duty. That was in the Bill we passed last year.

Section 10 (2) (c), which we also passed last year, brings those settlements straight back into the provisions of the Act. There was no reference to this in the explanatory booklet provided by the Commissioner of State Taxation; nor did the Hon. T. D. Evans who introduced the Bill in the Assembly, or the Hon. J. Dolan who handled it in this House, make reference to it. No reference was made to it by any speaker in either House of Parliament last year. I did not mention it because I was unaware of it.

This matter has been brought to light as one of the anomalies introduced by paragraph (c). It is principally for that reason the Government has seen fit to introduce this amending Bill so that paragraph (c) will be removed and the anomalies will be removed; and the Government can start again—as it has said it will—next year to reconsider the legislation. This action must be taken immediately because the law will operate as from the 31st December, this year. The Government will later have another look at life governor shares and any other matter that requires investigation.

The Government will have a whole new look at probate duties and the death duty law to see whether it can make more sense out of it. It will engage experts, possibly from outside the Crown Law Department, who will study the subject and try to rationalise the conflicting provisions. That seems to me to be an eminently sensible suggestion, and it is something that should have been done years ago.

For years we have been putting up with this hotchpotch of sections which have been added to, amended, altered, and substituted for over the years until we have finished up with the hotchpotch of the Administration Act which is now known as the Death Duty Assessment Act.

Admittedly last year the Tonkin Government had a new look at the law, and it introduced a number of good items which I commended and which I believe

have been accepted by those members of the public who are familiar with this law. I refer to accountants, lawyers, and others who take an interest in or who are connected with estates.

The Bill introduced last year contained some good things, but there are still many ends left not properly tied up, and there are still many items which should be taken care of. Indeed, last year some more anomalies were introduced. Death duty legislation is a terribly complicated matter. In spite of what I said earlier, I would pardon members for not understanding the intricacies of the legislation, because many professional people do not understand it either.

I criticised the Hon. Grace Vaughan not so much for not understanding the intricacies of the legislation, but for simply coming out with a generalised kind of abuse of members of the Government who might support this legislation, and of the Government for introducing it; and she did that on grounds which were completely foreign to the reasons for the legislation being introduced.

As I said, section 10 (2) (c) embraces a number of other transactions apart from the governing director situation. The exact extent of this legislation is unknown, and will not be known until it is tested in court; but it certainly includes settlements and it probably includes other arrangements which were exonerated by the 1973 legislation.

Sitting suspended from 6.07 to 7.30 p.m.

The Hon. I. G. MEDCALF: Before the suspension I was speaking on the Death Duty Assessment Act Amendment Bill and I was referring to the problems which have been introduced into the interpretation of the law by the very sections which have been commended by the Hon. Grace Vaughan. These very sections which she said should stay in the Act have introduced many problems to those who are concerned with interpreting the law; that is, those who are concerned with advising people on estates, and members of the public who have to try to organise their affairs.

The sections to which I have referred and which will be amended if this Bill passes through Parliament could also provide many legal arguments before the courts. In fact, they introduced a great deal of confusion into the law. The particular sections with which we are dealing in this Bill have never been in the legislation of Western Australia before. Part of the amendments were copied from a Victorian Act, introduced a few years ago, but other parts must be deemed to be the original work of the draftsmen. These are the provisions which it is proposed to remove from the Act, and I believe that had the Parliament realised last year just what complications were being caused by the inclusion of these sections, members would have rejected them.

Members will recall that when the Act was before the House last year, Mr Wordsworth moved an amendment to delete paragraph (o) from the Bill, and this House rejected the proposal. I believe that had we then had the benefit of the advice which has since been available from experts who have studied this Bill intensely, the House would have supported Mr Wordsworth's move to delete this paragraph. Indeed, I believe that the Tonkin Government would then have rejected the very proposals it was putting forward.

I think it is quite wrong and unfair now to simply say that these amendments are to be rejected because of the views that have been put up by people who are going to be financially affected. This has been refuted in the Minister's second reading speech, in which he indicated that the question of the governing director shares is still under study; it has not been resolved.

I refer now to subsection (7) of the Act. This subsection, which is to be deleted as a result of this Bill, provides the method of valuation of a governing director share. I want it to be made quite clear that the principal part of the Bill is paragraph (o), which deals not only with a governing director share but also with all sorts of other things which other parts of the Bill exempt from duty. So, paragraph (o) brings them back in after they have been exempted; hence, this paragraph must go because it is completely unsatisfactory. It reduces the efforts to relieve other types of transactions to absurdity because it brings them back in again; however, we did not know that when we passed the Bill last year.

Subsection (7) specifically lays down how a governing director share is valued. I would hope some member of the House would be able to explain what subsection (7) means. It states—

(7) Without limiting the generality or operation of paragraph (o) of subsection (2) of this section, where—

- (a) immediately before the death of a deceased person he and another person each held an interest in the same body, corporate or unincorporate; and
- (b) immediately before the death of the deceased person the rights attaching or existing in relation to any of the interests of the deceased person in that body were different in any respect from any of the rights attaching or existing in relation to the interests of that other person in that body,

the difference between the actual value of all that other person's interests in that body immediately after the death

of the deceased person and the least value that those interests could have had immediately before the death of the deceased person if the deceased person had then exercised the rights attaching or existing in relation to his interests in that body to the greatest possible disadvantage of that other person, shall be deemed for the purposes of paragraph (o) of subsection (2) of this section to be a benefit which accrues to that other person.

That is a lot of gobbledygook; I say so, realising that I must not abuse my position as a member of Parliament.

The Hon. Grace Vaughan: You are using one of my words—

The Hon. I. G. MEDCALF: It is a lot of gobbledygook. As I say, I am not being critical of the draftsman; however, it is plain gobbledygook. What he is trying to say is that we should value a governing director share at the time just before he dies and then again immediately after he dies. That is what he is trying to say, but he does not say that. He goes on with all this stuff about the difference between the valuation and introduces all sorts of complications. If he had said the value of that governing director share shall be the difference between its value immediately before he died and immediately after he died we would have a rough chance of knowing what he was talking about.

The Commissioner of State Taxation for whom, personally, I have a great admiration and whom I am in no way implicating, any more than I am the draftsman personally, said that referred only to a case where a governing director had an option to purchase all the other shares. It is well known that it does not refer only to that case; this was pointed out at the time. The Hon. J. Dolan, who quite naturally being an unskilled person in this subject, was merely quoting his departmental sources, kept reiterating that it affected only that one case.

It does not, and it has been revealed by persons outside Parliament who have made a deep study of this, that this section introduces an element of uncertainty which will confuse the courts when it comes to trying to interpret what it means. For this reason, I repeat what I have said before in this Chamber—there are many other people who have said the same thing in this House, including a former Leader of the Opposition and Government leader, the Hon. W. F. Willesee, who is no longer in the House—that legislation should be couched in simple terms. I know there are sometimes difficult concepts to consider and that it is not always easy to make it simple.

I referred earlier to a seminar organised by the Graduate Legal Education Department and Extension Service and held at

the University of Western Australia on the 27th August, the 3rd September and the 10th September 1974. Questions were asked relating to how on earth Parliament could accept such legislation. The average member of the public including professional people, still have a respect for the intelligence of Parliament. The people asked, "How could you accept such legislation? It is so absurd. It introduces so many problems that you should not have let it through." One of the criticisms was directed at the draftsmen. They said that it must be their fault because they produced the stuff and Parliament just accepted it. I attempted to defend the draftsmen and said they have a task to do, etc.

I believe there must be a more simple approach to legislation. It is no good living in an ivory tower and thinking we can pass any sort of gobbledygook and because it is passed by both Houses of Parliament it is enshrined in the law of the land and is something which everyone must revere and respect. Legislation must make sense, otherwise it will not stand the acid test as to whether or not, generally speaking, it is acceptable to the public. In the long run the public always has its say. Sometimes it takes a long time, but the public ultimately will have its say and I am a believer in letting it have its say.

We must be more careful about this type of thing, and for that reason it is a most necessary step that we pass this Bill and generally get rid of this gobbledygook, because that is all it is—we have the opinion of experts, on this one. Anyone who wishes to be welcome to peruse the report of this seminar. These people came to this conclusion about the very sections which we are proposing to amend. We are not proposing to amend anything else. We are not worried about the question raised by the Hon. Grace Vaughan relating to debts owing on long-term contracts. We have accepted all the other items. What is said in this Bill with, I believe, absolute justification, is that we must correct this gobbledygook and start again. We must have some regard for the fact that our legislation must be workable.

I should like to add one further point to those comments. If it is a good idea to make governing director companies liable to probate duty—and there are those who say it is, and the Hon. Grace Vaughan said it, amongst many others—those who suggest it would do well to study the words that have been used in the Act when this was attempted, because the actual words which relate to governing director companies have so many loopholes that it is quite an easy matter for the governing director companies to avoid the liabilities of the section.

Indeed, I believe there are some governing director companies at this moment which, during the last 12 months, because of this law have created trusts, companies,

and other devices to escape the ambit of the law. I believe that the Commissioner of State Taxation would agree with me, although I have not asked him, when I say that he will not catch one governing director company under the existing law because those which were liable to be caught last year got out. They made other trusts and arrangements and changed their situation. It is quite an easy matter to do it. Perhaps I should be careful about what I say, because I may be accused of a breach of professional ethics.

I assure members that I can point the way in which they can avoid this provision. If we intend to set out to catch governing director companies, but end up by not catching any, we are not succeeding in our job. That is exactly what will happen under the Bill.

There are two serious defects. The first is that we are not dealing only with governing director companies. By using such wide and vague words as are contained in paragraph (c) we are bringing in many other situations, which specific sections have exonerated. In other words, we trap the very fish which we have let out at the other end of the trap. The ones we intend to catch have found ways of getting out of the trap. If there is any case for the repeal of a bad law, this is it.

I accept the assurance given by the Minister that he will institute an inquiry into the whole matter, with a view to seeing what action can be taken to deal with people who are, in fact, using the loopholes in the law to escape a liability which others have to bear. I do not believe anyone should escape a liability which others have to pay.

In doing this we should make sure that we end up with a good and watertight law which does what this Parliament wants it to do. For those reasons I believe the Government has done the right and courageous thing in bringing forward the Bill. We are all engaged in politics, and it is very easy to criticise the Government outwardly for doing something which may seem to be wrong. If we believe the Government will institute an inquiry, then we must commend the Government for bringing this Bill forward.

My final word is this: I am one who believes that probate duty should be reduced gradually. I know this does not strike a chord in certain sections of the Labor Party. I realise there is a traditional feeling there that death duties are a good form of taxation, and have a levelling effect in gradually bringing everyone down to a common level, so that wealth cannot be passed from one generation to the next.

If we turn back to the Victorian era and the days of the Fabian Socialists, we find there was no such thing as income tax; that was in the 1900s. It was only in the first decade of the 20th century

that income tax was first imposed. When we think of those times obviously we must agree that death duties were necessary. It was desirable to prevent great wealth from being accumulated and passed on from one generation to the next. To have too much wealth in the hands of a select group is not a good proposition. However, in these days that situation does not apply with the incidence of high income tax.

If we tax the people on their incomes at a very high rate, and in addition impose a capital gains tax which now applies in the Commonwealth and other parts of the world, surely it is time that we considered whether the ideas about death duties which gained currency 70 to 100 years ago, and which were held to be valid then, should now be reviewed also.

I believe the Bill deserves the full support of the House. It is the only logical thing we can do in view of the situation in which we find ourselves under these particular sections of the legislation. I sincerely trust the House will agree with that point of view.

THE HON. H. W. GAYFER (Central) [7.50 p.m.]: I feel it is incumbent on me to say a few words on a Bill which I support. I suppose some members say this is a reversal of form on the part of the Country Party, which some people claim enabled the legislation to come into being in the last session of Parliament. I say this in case there is any more chatter into the reasons or otherwise why some people, in the same position that I occupy, decided to take certain action which retained paragraph (c) within the Bill last year, rather than have it deleted.

I want to make it perfectly clear that the opposition to that measure and to paragraph (c) did not come from one quarter only. A full attempt was made in the Assembly to bring about the deletion of that provision for various reasons, many of which the honourable member who has just resumed his seat has outlined.

I would like to acquaint the Chamber with the fact that when the Bill was introduced in the Legislative Assembly last year, on the then Opposition side only one Liberal member and one Country Party member—that being myself—spoke against that particular provision. My comments are recorded at page 4599 of the 1973 *Hansard*.

In view of what I have said, members will see that there is no reversal of form when I support the Government on the measure before us. I shall not reiterate the reasons for opposing paragraph (c) at the time; today my views are the same. I wish to refer to one part of the speech that I made in the debate on the Bill in 1973, and that appears at page 4600 of the 1973 *Hansard*. I said—

I agree with the member for Wembley in that there is no argu-

ment at all in the Government's right to close up a few loopholes. Possibly there will never be perfect legislation in this respect, I feel, which will successfully tighten up all the loopholes. Other loopholes will appear because of the ones that have been tightened up. I agree with the member for Wembley that in tightening up these loopholes to catch specific cases the Minister has put a net around everybody. The legislation will catch not only those who may infringe the law—or may have found some escape clause through one of the loopholes—but it will catch everybody.

I rounded off by citing the case of a well-known saddler who carried on his business in a shop at Midland. The saddler was one saddle short in his shop, and he sent a bill to everyone who had an account with him. These people numbered hundreds, but only three of them queried the account and did not pay the bill. That is what will apply under this sort of legislation, which has loopholes.

There is nothing wrong with people finding a loophole in the law. In this regard I refer to what the then Attorney-General (Mr T. D. Evans) said on the 31st October, 1973, in reply to the second reading debate. This appears at page 4607 of the 1973 *Hansard*—

It has been held—and one might say this is a play on words, but it is not—that it is not at all wrong in law to avoid taxation if one can operate within the provisions of the Act and so manage one's affairs in compliance with the Act so that the burden of taxation is reduced. It is clearly wrong to evade taxation, not necessarily to avoid it. I am saying now—no matter what has been said by other members—this legislation does not cast aspersions, nor do I intend to cast any aspersions, on persons who have in the past legitimately adopted certain means to avoid taxation—and I am using the term in the manner I previously indicated.

Those were the words of the then Attorney-General.

Mr Medcalf has outlined what the clause in question will do. It is a provision which will do what I had the temerity to say it would do; that is, to create new loopholes. I think Mr Medcalf said that it would create new loopholes, and these are sticking out like a pikestaff. It is very easy to void the provision—and to void it legitimately—encompassed in section 10 (2) (c).

I make no apology for saying this. I have a family company, and I had a very good reason for forming it. My father died when I was 29 years of age, and he left a property in respect of which I had to find £15 000 in cash to pay the probate duty. I had to borrow the money. I

myself had no assets; I had a young family then; and I felt I had the right to go on farming, the same as my father and my grandfather had done before me.

I took my case to the Supreme Court over the payment of probate duty, because I had no money. The probate duty would have ruined me, but at least I fought my case in the Supreme Court. I knew that if I lost the case the department could not get anything out of me because I had nothing. However, I won the case.

On the day that I won the case my legal representatives said to me, "If you do not want this sort of thing to happen again you had better think of forming yourself into a family company." In 1957 I did that; and I am one of the oldest family companies in the farming community.

Mark my words, the farmers do not want to sell their properties. In fact, our properties are worth nothing until we sell them or until we die. One cannot shovel up the dirt on the farm, place it in a truck, and take it down to the Commissioner of Taxation as payment *quid pro quo* for probate duty. However, that is the only thing that is tangible on which the probate duty is based.

The Hon. D. K. Dans: Have you tried doing that?

The Hon. H. W. GAYFER: I offered the soil from my farm to the Commissioner of Taxation. I told him we would bring it down in truckloads until he had £15 000 worth of it. This is no laughing matter. There is some misconception that if a person cannot pay probate duty he has to borrow the money at 10 per cent. The Act provides that the Commissioner of Taxation may, if he so chooses, advance the money over a period he thinks fit at a rate of interest ranging between nothing and 8 per cent.

In my case I was lucky. The Commissioner of Taxation realised my hardship and I was able to obtain money at 4½ per cent. I worked very hard for some time in an endeavour to pay off the debt. I was successful, because I had a few breaks.

I have no intention of selling my farm or cashing in on it. All I want to do is to hand it down to the next generation, so that my children will be able to live as I do, to farm the land, and to have an independent attitude and way of life which means so much to those who are inherent lovers of the soil.

That is where this form of probate is iniquitous. That is where it is wrong. We do not want the money; we just want our land. This is the sort of thing which is killing that aim, that heritage, and that little spark of fight which is in each of us. Our land is something worth living for and worth fighting for.

Those are the sentiments I expressed last year. I had faith that this Government would again look at this aspect.

I also believe the Labor Party would have had to look at it had it remained in office. However, as I have said, I had faith that the Government would introduce this type of legislation and because of that faith I did not form a trust company to protect my governing share. That is another loophole, and it was referred to by Mr Medcalf. If that so-called loophole were to be closed, another method is available.

What is all this talk about a loophole? It is absolutely crazy to try to tighten up the probate law in this respect. No matter what happens loopholes will be found. It is not against the law to avoid paying tax, if that avoidance is done within what is written in the Act. It is a different story to evade tax, and I think Mr Medcalf will agree with me on that point.

So, I am not changing my attitude; it is the same as it was last year, even though I am now in the Legislative Council and, at the moment, am rather a solitary person as far as my party is concerned. Quite a number of us had different views last year. However, that is the right of individual members, and it will always be the right of members of my party to vote exactly as they want. Although we may be held responsible for our actions, we will not be sent to Coventry. That is how we will continue to operate.

I do not make any apologies. I was most disappointed—horribly disappointed—with the result last year. However, it was the decision of those members concerned. With those few words, I indicate that I support the Government on this Bill.

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.03 p.m.]: I think it would be presumptuous of me, in my summing up, to undertake that I will, even in a cursory fashion, carry out a further examination of the Bill. The Bill has been examined in detail by Mr Medcalf.

Those of us who were here last year well recall the circumstances under which paragraph (c) was introduced into this legislation and, more particularly, the action taken by Mr Medcalf at that time. If this Bill does nothing else, I am sure it will give Mr Medcalf the satisfaction which he failed to achieve on behalf of the Opposition last year. He has now been able to take full advantage of this opportunity to express his view.

Perhaps it may also be of some satisfaction to Mrs Grace Vaughan to have had an opportunity to speak to the legislation. I pass over her reading of the *Hansard* debate which took place last year in this Chamber because, as Mr Medcalf has already pointed out, very much of what she said was completely irrelevant to the Bill now before us. However, I refer to the satisfaction she may have got out of the Bill and the opportunity for her to use her favourite expression, "elitist".

The Hon. R. Thompson: I think we ought to be fair. I gave this Bill to Mrs Grace Vaughan at 2 o'clock this morning for her to examine. She did not have much time available during which to examine it.

The Hon. N. McNEILL: I accept and acknowledge that particular situation. However, I am curious on the point as to whether even if she had more time available she would have refrained from referring to her favourite expression of, "elitist".

The Hon. R. Thompson: I think the Minister will agree this is complex legislation.

The Hon. N. McNEILL: I would agree.

The Hon. R. Thompson: The honourable member had only four hours during which to examine it.

The Hon. N. McNEILL: That would further illustrate why I have expressed my intention not to give the legislation any further examination in view of the first-class description provided by Mr Medcalf. He was able to present to us a great deal of background and experience regarding the implementation of this legislation. I think that was of value.

I want to emphasise that the Bill has not been presented to us simply because we failed in our endeavours last year. Certainly, when in Opposition, we made it plain that given the opportunity we would review the legislation introduced by the Government at that time. We now have that opportunity, so we have taken appropriate action. However, the important point is, as was stated by Mr Medcalf and Mr Gayfer, the impending operation of this particular provision opened up other directions through which people could achieve the purpose which was probably not the intention of the Government at the time.

Had the previous Government still been in office it may have seen the necessity to review this particular provision. So, I think there is justification for our action. When we undertake a review such as this it is not sufficient to say that certain persons will benefit as a result. I believe I can also refer to Mrs Grace Vaughan's expression when she talked about equity and equality. Bearing in mind the arguments used during debate last year, that expression is still wrong in the view of certain members.

The question was also raised with regard to the word "loophole". I still stand by the views I expressed—even though I was involved only in fringe participation in the previous debate—that the particular provision was not a loophole. The legislation introduced may well have been intended to close certain loopholes, but the exemption provision was not included in the Act as a loophole, but as a deliberate move to provide for the avoidance of tax

in certain circumstances. In my view it was not a loophole, and it is still not a loophole.

I repeat: The very existence of paragraph (o) has shown that there could now be a loophole and, therefore, the review and repeal of this provision is well and truly justified. I have indicated that the whole question will be subject to review. I do not intend to elaborate because Mr Medcalf has made a detailed comment and I agree with his remarks. There needs to be a review of the position, and who knows what the changes may be.

The Government recognises there are some aspects of this question which need to be looked at a good deal more penetratingly than appears to have been the case when the legislation was introduced last year, particularly with reference to paragraph (o).

I realise the Opposition has indicated it will oppose the Bill. I fail to see any justification for that opposition. In view of what has been said, and in view of experience and the fact that the arrangements made last year were to come into operation in January, 1975, the Opposition would be well advised to reconsider its attitude towards the Bill. I commend the second reading.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. R. J. L. Williams) in the Chair; the Hon. N. McNeill (Minister for Justice) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Section 10 amended—

The Hon. GRACE VAUGHAN: I would like to assure the Committee that the Opposition is always willing to listen to the experts, and we wish, sometimes, that the Government was also willing. Mr Medcalf has certainly placed a different complexion on the second reading, from what the Opposition at first recognised.

Certainly, if paragraph (o) sweeps too wide it could have been changed rather than thrown out. However, if we can be given an assurance by the Minister that a review, as he mentioned, will occur at the beginning of the next session or during the next session, we would view the matter in a different light. Perhaps the Minister could give us a tentative date, because, as Mr Medcalf pointed out, the present legislation is an anachronism from the last century when we did not have income tax.

Mr Medcalf expanded on certain areas of the Bill which have been of much interest to the Opposition, and of particular interest to me. I stand chastened by Mr Medcalf and I assure him that the "abuse" which I levelled was as a result of the wording of the Minister's second reading

speech. I understand that the Minister accepted, more or less, the second reading speech made in another place, but it really emphasised that there is a retraction of what happened last year rather than emphasising, as Mr Medcalf did, the positive aspects of a review of the whole matter of probate. That is the sort of attitude the Opposition would like to go along with, rather than the retraction of legislation introduced by the Labor Party in order to bring about some social reform.

We urge the Government to recognise that there is a certain healthy wariness by the public about avoidance of any form of taxation by the wealthy. I am not intimating that the Liberal Party and the Country Party represent only the wealthy, but they must recognise this feeling of, "the rich get richer and the poor get poorer". What are we doing to bring about some equitable distribution of wealth? The Government ought to recognise that it is good public relations to let the public know this is not the position. We are here to prod the Government to remember people who are less advantaged. I do not want to be personal but the matter of life governorship lurks has irked some part of the public. We must assure the public that there will be legislation to contain this sort of "lurkism".

The Hon. Clive Griffiths: "Lurkism"?

The Hon. GRACE VAUGHAN: That is a "Grace-ism". This is a fairly recent problem. Mr Gayfer assures me that his was one of the first family companies to be formed in 1957 although there was provision for such companies in the 1940s. It is sometimes difficult to introduce legislation to control such new innovations. Mr Gayfer so graphically described what happens when one is left with nothing but dirt with which to pay a sum of £15 000.

The Hon. H. W. Gayfer: In 1957 that was a lot of money.

The Hon. GRACE VAUGHAN: Let us think of other areas of enterprise which are prejudiced by legislation which is an anachronism as Mr Medcalf so aptly pointed out. Paragraph (c) is only a small part of the parent Act. The amount collected by the State for death duties is something like \$10 million a year, which is a piddling part of the Budget.

Mr Gayfer: What is the word?

The CHAIRMAN: Did I hear the honourable member use an unparliamentary word?

The Hon. GRACE VAUGHAN: It is not an unparliamentary word. It appears in the *Oxford Dictionary*. It means small and of little consequence.

Withdrawal of Remark

The CHAIRMAN: I ask you to withdraw it, even if it is in the dictionary.

The Hon. GRACE VAUGHAN: I will happily withdraw it, and I will use the words "small and of little consequence".

Debate Resumed

The Hon. R. H. C. Stubbs: What are you talking about?

The Hon. GRACE VAUGHAN: My use of the word "piddling". Mr Medcalf quite rightly said that I had not made a deep analysis of the Bill. I put this down to the tradition of this final week of travail, when we are kept here until 3.00 a.m. every morning. I believe we could do without this tradition. However, I say that the second reading speech made by the Minister did not tell us of the positive aspects of the legislation as Mr Medcalf did. In passing, I exhort members to listen to people who have the expertise to help understand legislation we discuss. The Opposition opposes the whole measure, but perhaps the Minister will be good enough to assure me that there will be some major review of probate and death duty, and also to assure me that the principle of "lurkism" is not perpetuated.

The Hon. N. McNEILL: The Leader of the Opposition interjected earlier and pointed out that Mrs Vaughan had had very little opportunity to examine this measure since its introduction at 2.00 a.m. today. Under those circumstances I believe I can pardon her when she seeks assurances from me about the more positive aspects of the Bill such as were detailed by Mr Medcalf. I again refer Mrs Vaughan to my speech notes where she will see that the only reference to repealing the provisions referred to is contained in the first three lines. I then went on to examine in detail other reasons for the introduction of the legislation.

In our policy speech we said we hoped to provide some amelioration as a consequence of the legislation introduced last year. I remind members that while my speech was not very long, except for the first three lines, it was devoted to other reasons, all of which Mr Medcalf examined in far greater detail than I did. In fact he went into far more detail than would probably ever be engaged in by a Minister in a second reading debate. On reflection I hope the honourable member will see that no attempt was made to lessen the importance of what she described as the positive provisions. She asked me for an assurance, and I endeavoured to give assurances in the second reading debate.

The Hon. R. Thompson: I think she asked could you give an assurance.

The Hon. N. McNEILL: I can give an assurance, but it is only additional to those given in my second reading speech, and I refer Mrs Vaughan to page 3 of my speech notes.

This review of probate duty legislation is under way and it will begin with a full examination of these provisions. To that extent I give an assurance that the whole question is being examined currently. I was also asked when the inquiry may be

completed. I am sorry I can give no indication of that. It would be quite premature to give any assurance at this time.

The Hon. R. THOMPSON: The Minister referred to page 3 of his notes and to the fact that part of the review would be to consider family farms and businesses. He said the Government would look closely at this matter with a view to further legislation. Farms and family businesses seem to be the only two things specifically mentioned. I hope when the legislation is reviewed, other farms and businesses will be taken into consideration. A farmer may sell his farm and invest the money in a block of flats. Another example would be partners in a small business which is not a family business. I make this point because I would rather not have seen this reference in the Minister's speech. Anyone who can tie up all the loose ends and provide a solution to the problem is a very wise and capable man.

The Hon. N. McNEILL: I appreciate the point made by the Leader of the Opposition and I will make two comments. It will be recognised that the greatest impact of the legislation introduced last year fell on farms and family businesses. I am sure that the review will have regard for general application of the provisions. We should look at the legislation to see what it does.

The Hon. R. Thompson: This is also contained in the Liberal Party policy.

The Hon. N. McNEILL: I am aware that the policy refers specifically to family businesses and farms, but that should be taken in the light of the impact of the parent Act. I agree that many other people could be in similar circumstances, although they would not qualify as family businesses or farms.

The Hon. R. Thompson: This legislation will be discriminatory.

The Hon. N. McNEILL: That is if we pick out odd people and say we must benefit them specially. In that case what the Leader of the Opposition says would be right. Far too frequently this provision has been taken as referring only to farming businesses. That never was the intention. It may have attracted undue attention, and the wrong type of attention, because one particular group seems to have been singled out for beneficial treatment, but that was not intended.

The Hon. H. W. GAYFER: When Mrs Vaughan was speaking she implied that I said we were the first private company. I would ask her to change that in her speech to read "first of the family farms".

The Hon. GRACE VAUGHAN: The first assurance given by the Minister that there would be some review is comforting to the Opposition. However the fact that no time limit could be provided for is not so comforting.

The Hon. N. McNeill: No time limit is stated.

The Hon. GRACE VAUGHAN: I appreciate the Minister cannot commit his Government to a particular time limit. Certainly the Opposition will not be as virulent as we might have been before we heard what the Minister, Mr Medcalf, and Mr Gayfer had to say.

We must, however, still oppose the Bill if only to prompt the Government to have an early review of legislation in regard to probate. We are not concerned about small family farms but about governorships of large organisations and, although they are infrequent in Western Australia, there are sufficient of them to warrant our concern that there will be people who will be able to avail themselves of loopholes. We do not want to retract to the point of saying we agree entirely with the Bill.

Clause put and passed.

Clause 4 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

BEEF INDUSTRY COMMITTEE BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. N. McNeill (Minister for Justice), read a first time.

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [8.36 p.m.]: I move—

That the Bill be now read a second time.

Cattle producers have, in the past, shown a responsible attitude toward beef production. Producers have responded to policies of increasing cattle numbers and have geared production to the requirements of the developing export markets. Cattle numbers have been increasing at quite significant rates recently to their present level of 2.3 million in Western Australia. Over the past five years, total cattle numbers have increased by 27 per cent.

Although slaughterings have also increased over the same period they have not kept pace with the increase in cattle numbers, suggesting that once herds stabilise, the Western Australian herd will have the capacity to substantially increase turnover.

Slaughterings for 1973-74 were 480 000 and if the expected 10 per cent increase in the breeding herd is achieved this year, the turnover for slaughter could be 518 000

this year, and 563 000 in 1975. Slaughtering figures since the 30th June, 1974 are about 30 000 less than for the same period last year. Producers have been able to hold back stock because of good seasonal conditions being experienced in Western Australia this year, hoping that prices would improve. Grain feeding cattle over the summer will prove a costly operation and it is more likely that slaughtering figures will increase during this period.

During the past year there has been a dramatic fall in saleyard prices for beef following the closure of the European and Japanese markets. A significant reduction in the American market has also occurred. Exports of beef to the USA since the 30th June, 1974 are 81 per cent of the figure for the same period last year. Beef exports to Japan over this period are 1 per cent of last year's corresponding figure and those to the United Kingdom are only 7 per cent.

In a situation of such weak export demand there has been an inevitable effect on domestic beef prices. The average price for domestic baby beef at Midland saleyards during 1972 was 75c per kilogram, and in 1973 83c per kilogram. In June, 1974, baby beef prices fell from 94c per kilogram to 81c per kilogram.

Since then it has continued to fall to less than 50c per kilogram. This figure is below the price of export manufacturing cow beef operating between January and May of this year.

In the face of further expected declines in the price of beef intended for the domestic market, the Australian Meat Board recently convened a meeting of all meat industry organisations in Western Australia to discuss the problem. A steering committee, which was subsequently appointed to examine ways by which the decline in domestic beef prices could be arrested, recommended a voluntary minimum floor price scheme for five categories of beef—

Baby beef steers—weight up to 173 kg (380 lb.).

Baby beef heifers—weight up to 173 kg (380 lb.).

Prime trade steer beef—weight up to 227 kg (500 lb.).

Prime trade heifer beef—weight up to 227 kg (500 lb.).

Prime steer beef—weight over 227 kg (500 lb.).

Under this scheme, wholesalers agreed to pay the minimum scheduled weight and grade prices for beef falling into these five categories. The scheme was also intended to apply to cattle in those categories which were sold through the auction system or by paddock sales—by means of an appropriate adjustment to the scheduled prices.

It was intended that the scheduled prices would be reviewed weekly by a pricing committee composed of representatives of the meat trade, producer organisations, abattoirs, and livestock agents.

Unfortunately, legal opinion indicated that the proposed scheme—although voluntary in concept—appeared to be in violation of the Trade Practices Act, 1974, and could only be made exempt either by appropriate legislation or by an application under a particular section of the Act which relates to organisations or bodies performing functions in relation to the marketing of primary products.

Beef is now being traded at quite unrealistic prices with respect to the domestic market, and it is considered essential that urgent action be taken to assist the industry as is provided for in the Bill.

The Bill proposes to establish a committee to be known as the beef industry committee. The committee will have seven members, all appointed by the Minister. All sections of the industry are represented on the committee, as well as a consumers' representative, in the form of the Commissioner for Consumer Protection, and there is provision for deputies of members.

It is intended that the committee will meet as necessary and fix the minimum weight and grade prices for which the classes and weight ranges of beef specified in the public notice may be bought or sold. There will be only five categories of such beef—baby beef steers, baby beef heifers, prime trade steer beef, prime trade heifer beef, and prime steer beef—all of which are pre-eminently suited to the needs of the domestic market.

The provisions of the Bill do not apply to store beef or to beef intended for export.

In order to meet the needs of producers desiring to sell at auction rather than weight and grade, the relevant minimum price fixed by the committee is able to be adjusted at the time of the sale of the live animal. This would be effected by a senior valuer of the agent conducting the auction. The valuer would convert the scheduled price to an on-the-hoof price, which then becomes the reserve. If this reserve price is not reached at auction, private sale would be negotiated.

The legislation is terminal and expires on 30th June, 1975, or on an earlier date if circumstances should so warrant.

The successful implementation of the provisions of the Bill will depend upon a high degree of co-operation between the owners of the beef and the various sections of the industry.

The Bill will come into operation on a date to be fixed by proclamation.

The need to apply a measure to assist the industry has become apparent owing to the drop in the market. This Bill aims to assist at least certain sections of the

industry and to establish a price which it is hoped will help them. This was proposed on a voluntary basis, but because of the Commonwealth Trade Practices Act we received legal advice to the effect the scheme should have statutory standing to comply with the exemptions under that Act. That is why the Bill has been brought to the House.

We hope the Bill will be agreed to and that it will assist at least a section of the industry which is in serious circumstances. We hope it will assist in particular those who are entirely dependent on beef for their livelihood. The Government has realised there is a need for measures to be taken. We have produced the Bill with the co-operation of all concerned in the beef trade, and the industry. They all got together and agreed to co-operate. We have made provision for a representative of consumers to be on the committee. He will protect the consumers, and he will have his say along with the others.

We have brought the Bill to the House as a result of the need to assist the industry wherever possible. We hope the measure is as successful as those who have made representations to the Government wish it to be. Of course, we will not know until it is put into effect.

If a national scheme is proposed, we will examine it; but this is a terminal Bill to fill in time while we wait for such a scheme. I commend the Bill to the House.

THE HON. R. THOMPSON (South Metropolitan—Leader of the Opposition) [8.44 p.m.]: All I know about the contents of this Bill is what I have read in the papers two days ago and what I have heard during the course of the Minister's second reading speech. Accordingly I think it would be appreciated by members that I have had no direct information supplied to me.

May I say at the outset that both I and my party will be supporting the Bill, but there are certain factors that I feel I should raise in connection with the measure.

Therefore I do not want to start a dog fight which I believe took place in another place where all members, although supporting the legislation, took about five hours to get it through that Chamber. In my opinion that is a ridiculous state of affairs. However, being a member of this Chamber, it is not my prerogative to criticise what goes on in another place.

At page 10 of the Minister's speech notes mention is made that this is a terminal Bill and will merely be used until such time as a proposed national scheme is brought forward. I hope this does come about, because about a month ago on the Friday ABC radio session I listened for an hour to a person considered to be a world authority on beef. He had travelled the world, and I was extremely sorry I

did not have a tape recorder with me at the time so that I could tape his speech, because it was most interesting. He quoted facts and figures relating to the storage of frozen beef throughout the world. He said that Japan had something like 320 000 tons stored and the European Common Market countries had about 680 000 tons in storage. He also said, in referring to slaughtered frozen beef, that the United States of America had so many hundred thousand tons in storage.

So it can be seen that this is a world-wide problem and not just peculiar to Australia or to Western Australia. Every producing country throughout the world is suffering from an over-production of beef. Perhaps I should not use the term "over-production". Perhaps "under-consumption" would be a more suitable term, because it is indeed sad to realise that in many parts of the world millions of people are starving and are suffering from malnutrition and insufficient food supplies. Of course, in most countries such people would be unable to afford to buy beef and, further, they probably would not want to eat it even if it were made available to them. Therefore, it is a pity to see that there is an under-consumption of beef, especially in a country which produces good quality beef.

However, as I have said, we are in the same position as most beef-producing countries throughout the world. I repeat that the Minister pointed out that this Bill has been introduced as a stop-gap measure, and I hope the national scheme is brought into operation very shortly. There are many factors which could completely destroy the objectives of the Bill, of course. Let us consider the operations of the Potato Marketing Board in Western Australia, which board permits growers to produce potatoes under license. They are unable to sell their produce outside the State except through the board. Yet we find, when there is a glut of potatoes in the Eastern States, potatoes can still be imported into Western Australia by the normal means of transport that is permitted; that is, by rail.

Section 92 of the Commonwealth Constitution debars any State Government restricting trade between one State and another. Therefore, if the prices of beef were fixed by the committee on weight and grade as envisaged in this Bill, a situation could be reached where any person could import beef from another State for sale in this State and completely destroy this scheme. We have to be realistic enough to realise that that is a possibility.

I raise another point. Let us assume that 1 000 beasts are required for slaughter in Western Australia every week, and the committee fixes the price of beef according to weight and grade. I now ask this question: Who determines what producer will supply this beef, because we could find

a large beef producer being in a position of owing a stock firm a considerable sum of money and it would be reasonable to expect the stock agent to say to that producer, "You will have to consign your stock!"?

We then have to consider the position of the small independent producer who does not owe anything to any stock firm. How does he sell his stock? These are only a few questions I am conjuring up in my mind in considering how this scheme will work. Of course, there are no real answers to these questions, and we can only hope for the best.

Also, with this legislation due to come into operation it would be reasonable for a beef producer to hold his stock for, say, a month until this legislation is proclaimed and the committee becomes operative. We would then be in a position that if beef were withheld there would be a shortage and this could also prove to be serious to consumers.

My party and I have always believed in orderly marketing, and I consider it is a shame that the referendum held on the 8th December, 1973, on price-fixing was not successful, because if it had been we would have found that the producer would have been guaranteed a fixed price for his product.

The Hon. I. G. Medcalf: That would have had the effect that a maximum price would have been fixed. The purpose of this Bill, of course, is to fix a minimum price.

The Hon. R. THOMPSON: Yes, I agree that this Bill will give the committee power to fix a minimum price. I now wish to relate an experience I had in regard to the purchase of beef, and in doing so I will quote the name of the firm, because I consider that all "shonky" firms should be exposed. Last week I saw an advertisement in the Press by Tip Top Butchers which was advertising the sale of baby beef. We have dealt with Tip Top Butchers ever since that firm commenced business and we have been very pleased with the quality of its meat. However, I understand there has been a change in ownership. This firm also had advertisements in its window relating to baby beef and T-bone steak which we usually eat. I asked for a half a dozen cuts of the T-bone steak and, after taking it home and opening it up, I guarantee it must have been old cow beef. It was dark red and had a quarter of an inch of gristle all over the T-bone.

The Hon. J. Heitman: It was probably a bit of Jersey.

The Hon. R. THOMPSON: In all probability it could have been advertised as "the mother of many beef calves". I think such advertisements are having a detrimental effect on the sale of beef and action should be taken against such firms

to prevent their issuing false advertisements because they are not in the best interests of the producers. I can assure the House that Tip Top Butchers have now lost a customer permanently.

The Hon. I. G. Medcalf: What you probably got was baby beef some years ago.

The Hon. R. THOMPSON: Probably I ate the progeny some years ago, too. This leads me to point out that the committee will be fixing an acceptable price for home consumption beef. I consider that the formation of the committee should have been more along the lines of the Lamb Marketing Board. Although the legislation which established that board has had a rough passage and has been subjected to a great deal of criticism, I now understand—although some members of the House may correct me for making this statement—that most producers of lamb have accepted the board and would be sorry to see it go out of existence. The Lamb Marketing Board sets prices for different grades of lamb, which are usually easily distinguishable by housewives. Usually the butchers are honest enough to keep within the price range in the sale of lamb.

I do not know how that aspect will be considered by the committee when a beast is broken down and one wants to buy some blade-bone steak. One would not know whether it is heavy weight grade or baby beef. Some control should be exercised over the retail butcher shops, because it would appear that some control is necessary after the experience I have had in buying meat to ensure that the product they are selling is not being misrepresented in their advertisements.

I realise the Bill is a stop-gap measure, but I cannot see it being successful in the short term. Its presentation is unsound and its best feature is that it will expire on the 30th June, 1975, or even earlier. This will depend on whether or not the Australian meat commission is established. I consider it would be in the best interests of growers if such a commission were established.

Other factors could probably be considered. We should not fool ourselves on this score. After all we know that wheat-growers sell outside the Grain Pool and also that farmers slaughter beasts on their properties and butchers cut them up for sale. I know of one property on which these beasts are slaughtered every week and I know the butcher to whom the animals go because I pass the place quite frequently. These are the aspects which would require an army to police, so we must be realistic.

We have been talking about beef for local consumption. But what about the operator who buys beef for export, slaughters it, and slips some of it into the retail trade? Do not let us fool ourselves that this would not happen.

I do not think that this is government legislation in the true sense of the word. It is legislation which was requested by the Farmers' Union because, quite rightly, it has been active in an effort to have a marketing scheme established.

I understand that the cost to produce baby beef would be in the vicinity of 25c a pound live weight. I am talking merely about production and I am not taking into account any profit margin or anything like that. Our beef producers particularly need all the help, assistance, and protection we can give them. Therefore I support the legislation with the qualification that I hope it will work if it is necessary for it to be put into operation. I still hope that in the intervening period the Australian meat council will take positive steps, but if it does not, the Government should not wait for something to happen. I hope that by the autumn session we will have some more positive legislation than this, possibly based somewhat on the lines of the Lamb Marketing Board.

THE HON. A. A. LEWIS (Lower Central) [9.04 p.m.]: Unfortunately I cannot go along with this Bill because I gave up believing in fairy tales many years ago. The unfortunate aspect is that the Federal Government has not seen fit to exempt the voluntary scheme from the provisions of the trade practices legislation of 1974, despite the fact that it has been asked to do so. I believe it could have been tried although I do not consider it could ever work. However, that is only a personal opinion and I would like to be proved wrong.

In his second reading speech the Minister made several comments which I believe count heavily against the Bill. The first one is to be found on page 6 and reads—

Beef is now being traded at quite unrealistic prices with respect to the domestic market, and it is considered essential that urgent action be taken to assist the industry as is provided for in the Bill.

Having heard some of the suggested prices to which these classes of cattle may fall, I believe they also would be quite unrealistic if we are talking about a viable beef industry. At the present moment, taking into account a reasonable return for labour, etc., the cost of production of beef would be in the vicinity of 80c a kilo. This was the amount established by a survey throughout the south-west. I do not believe that the voluntary scheme will get within a bull's roar of that.

With regard to the consumption of beef in this country, in the 1930s we were consuming some 50 kilos a head but now this amount has been reduced to 40 kilos. Price could be a contributing factor to the drop,

but I doubt it. I believe that the average worker could buy more beef for an hour's work than he could have done in the 1930s.

On page 7 the Minister said that the provisions of the Bill did not apply to steer beef or beef intended for export. As Mr Thompson said, again we are listening to fairy tales if we think the prime cuts for export beef will not be sold on the local market.

As for steer beef and the way beef will be valued by the senior valuer of the agent, knowing beef and cattlemen for several years, and the various conditions which apply, I would hate to think of the different types of steer beef and fat beef which will be classified. The judgment is not the same as it is with fat lambs, and I think it will be extremely difficult considering the number of market outlets for beef.

On page 8 the Minister said that if the reserve price is not reached at auction, private sale would be negotiated. I wonder at what price that would be negotiated. Would it be below the reserve price which has not been reached?

The Hon. J. Heltman: Of course it would be.

The Hon. A. A. LEWIS: Well again we talk against having a reserve price or a voluntary scheme because if negotiations are to take place on a price under that which it was stipulated the beef would be sold, it is a matter of sale on demand anyway.

It appears to me that the normal economic pressures will not be lifted off any beef farmer if he owes money or needs money to buy steers, because he will have to sell, despite the price he will get.

As the livestock salesmen have a representative on the committee I hope that the livestock firms guaranteeing the farmers do not force anyone to sell the beef, and that these people are given carry-on finance by the livestock firms despite the fact that they have carryover beef and must provide hay to keep feeding it, because it is a voluntary scheme. I believe the stock agents should provide the carry-on finance for these people because they have involved themselves by nominating a member of the committee. However, again I believe we are talking about fairy tales because I do not believe the livestock agents could possibly do this. The growers of beef will have to meet the market. It might not be the market itself, but the private sale off the market.

On page 9 of his speech the Minister said that it was hoped the Bill would assist in particular those who are entirely dependent on beef for their livelihood. This is a very interesting statement because in my electorate many people are entirely dependent on beef for their livelihood but they buy in beef to fatten it for the export

market. Then, when the export market falls, they are left with nowhere to sell but on the local market. So these people are wiped out in their entirety despite the fact that they depend on beef entirely for their livelihood. Under the provisions in the Bill, and with the prices that may be set, they cannot recoup their losses in the new year because they will not be allowed to. The good operator buys cattle which would be classed as fats by many agents. I have heard a lot of waffling on about killing of cattle early, and when we look at the Bureau of Agricultural Economics and its assessment in March, can these people be blamed? The bureau said that the future of beef in the next five years was wonderful, but one wonders what sort of market information it had when it made a statement like that to induce farmers to fatten beef for the export market.

I was extremely interested to hear the Leader of the Opposition speak about the Lamb Marketing Board and say that we would probably do well to follow a similar scheme with beef, because the people opposed to the Lamb Marketing Board are those who are doing exactly the same with lamb as the people are doing with beef and fattened beef. The man raising consumer lamb for the market does not get any run at all out of the board. The man growing premium lamb or beef does. It appears we are not trying to get people to deal in quality.

I do not wish to keep the House for any length of time. The Minister has given us the facts and figures concerning the number of cattle being slaughtered. It is interesting that the trade does not believe there is a great number of heavy-weight steers to come onto the market from now on. The great fear is a flood of beef from the Eastern States in February and March, and one wonders how this can be stopped. I believe that the 4c or 5c freight differential will not make much difference because the market in the Eastern States will be at a stage where the producers there will have to take the amount they are offered.

It is a great pity, of course, that the Federal Government, having seen the fail, has not moved faster or lifted its restrictions under the trade practices legislation so that we could try out a voluntary scheme in this State.

I will not continue any further. I believe that too much in this Bill relies on co-operation between all sections of the industry, but all those sections will want to make a profit. I do not consider there is a profit for the beef grower under the Bill and we will not be able to get away from the unrealistic prices because the prices put on beef will be unrealistic. I believe it can be no other way and so, reluctantly, I must oppose the Bill.

THE HON. D. K. DANS (South Metropolitan) [9.14 p.m.]: I will support the Bill. I must say that like many members of the Liberal Party, I am on the horns of a dilemma, whatever that might mean, because, so many times when we have been debating certain issues in the Chamber, I have heard that time-word phrase, "We believe in the market place." What the market will bear is the basis for determining the cost of an article, including a man's labour.

I am not so silly as to think the producers of beef in this country are getting their just deserts. For years I have fought, and I will continue to fight, to ensure a man is worthy of his hire and gets what he deserves. I do not divide my thinking into two factions. If a man on the land puts in time and effort—and I am under no illusions as to the hard work—I believe he should not only recoup the cost of production but also receive an amount of profit to give him an incentive to carry on.

While I am supporting the Bill, I agree with much of what Mr Lewis said. I do not believe a voluntary scheme will work, because of all the people in the community who cannot get together and do things properly, surely the farming community must take the crown. Farmers could not operate anything on a voluntary basis. I do not say this in criticism or with rancour, but it has been proven many times.

I do not think the Bill will do a great deal for the beef producer. It gives the illusion that it will do something, but it is only an illusion. It sets a minimum price. In fact, it gathers together a number of points in the Labor Party's platform, both State and Federal, and the most significant point from that platform is the weight and grade of beef. I do not pretend to know all about rural matters—there are members in this Chamber who know much more about this industry than I do—but it always appears to me that weight and grade should be the basis on which beef is sold.

The basis of the attack tonight is that we either overproduce or underconsume. That is a double-edged sword. To me, they mean the same thing. Not so long ago I was in the north with a number of members of this Chamber. We went to Camballin, which impressed us. I thought at that time beef had a good future. It is quite true that the Bureau of Agricultural Economics, after surveying the world scene, thought the same thing.

What does it boil down to? I will quote Hans Apel, the present finance Minister in West Germany, who in my opinion is the most wide-awake finance minister in the world. When addressing the West German Parliament a couple of months ago he said the world had now entered a stable period, which had been looming for some time, and that stability meant a certain amount of recession. He went on to say West

Germany had a social democratic Government but the German people had to face up to reality, and above all, although the West German Government had given 4 000 million marks to support the French farmer, not one more pfennig would go in that direction.

We have to draw all these things together. We in Australia are a European community living in an Asian world. We feel cut off from the rest of the European society but at the same time insulated from all the economic movements taking place in other parts of the western world. British and European people do not have this feeling and they watch what is happening. We could take our present difficulties back to General de Gaulle, who caused the run on gold and brought in what was called paper gold. I could mention the destruction of the Euro dollar and all that led up to it.

We have too much beef which we cannot sell. When beef prices were high the beef market found its own level and people either bought it or did not buy it. It is true, as Mr Lewis said, that beef prices have been high. We have a large European population and the people have steered away from the traditional foods. When meat prices are coming down, it is difficult to get them to go in an upward direction again.

The Bill provides for a minimum price for beef. Does anyone seriously suggest this will help the man on the land? I do not know who said it but it is true that in a couple of months the beef situation in the Eastern States will be worse than the situation here. Someone said Eastern States beef was of a better quality; I do not know about that. If we set an unrealistic price here, the wholesalers will import beef from over the border and put it on the market here.

The Hon. J. Heltman: The committee will be asked to set the price. Would it buy from anywhere else in that case?

The Hon. D. K. DANS: It does not have to buy from anywhere else. It is not a statutory marketing authority. I would not mind if it were. I am supporting the Bill because we have to try something.

Mr Ferry and I know very well what happens in the Potato Marketing Board, which is probably the best organised board in Western Australia. When potatoes can be bought cheaply from the east, the very people who use the Potato Marketing Board in this State to their own advantage quickly drop that side of the trade and import thousands of tons of potatoes from the Eastern States. One of the difficulties we had with that board was to try to establish the exact quantity of potatoes brought into Western Australia, and from a number of people we got different answers.

The same thing would happen in this instance. I hope the Australian Government will quickly move onto the scene because the only way we can ensure a fair return to the grower and a fair deal for the consumer—because of the Federal system under which we operate and section 92 of the Constitution relating to trade and commerce between the States—is for the Australian Government to do something about prices. That would be desirable. Perhaps we will have an Australia-wide marketing authority, but it would last only until such time as world prices and demand started to move again. That is human nature, no matter what side of the House we sit on; and for many years to come we will live in a market economy situation.

I am led to believe that in many parts of the world where it is said the market place shall rule the price, Governments look, as we are doing tonight with this Bill, at the question of a planned economy—which does not mean socialising everything. It means long-term planning which has not been possible for us because we have not had the overseas contacts and expertise to gather the information and learn what is going on.

I am sympathetic towards those who have put the wherewithal into the north-west and those in other parts of the State who have put the wherewithal into beef. I am more than ever sympathetic towards those I met during the potato industry inquiry. I am no green thumb or rural person but it did not take me long to come to the conclusion that in the parts of the south-west I saw people who had failed with tobacco, tried fruit and had it go bad, and they are now growing a few cattle for fattening—they are also growing potatoes.

If we faced up to the potato industry correctly, we would possibly do as America does and have two or three producers growing all the potatoes the State needs, all the varieties we desire, and producing potatoes more cheaply. I would be the last person to come to this Chamber or sit on a committee and suggest such a thing, when the livelihood of so many people is bound up in the industry. But I saw in some areas, and particularly in Mr Ferry's province, the nucleus of a peasant farmer population, and this trend is quickly gathering speed with beef. I do not think any member of this Chamber would like to see that.

I want a fair wage for seamen, wharfies, and everyone else in the community, including all Australians who labour on farms. Like Mr Lewis, I would have liked to see a more substantial Bill produced here. I realise the difficulties of trying to do something on a State basis. I am also cognisant of the fact that unless something happens—and it does not appear it will—the situation will become worse, and perhaps the brakes will have to be applied to

production. Perhaps some people will have to go out of the industry or go out to look for new markets.

While on the subject of marketing, we could have a mass of marketing experience overseas and sell almost anything—as with the local market today—but at a price. It is of no use looking for markets if we create for the man producing beef the situation that we are now creating for him in the domestic market. The only reason that the domestic market is low is that there is no export market. The European Common Market talks of a mountain of beef. I do not know how much Japan has, but other parts of the world appear to have plenty. I could suggest we get some marketing organisations going overseas; but do we not think the Australian Meat Board is competent in this direction?

The Hon. D. J. Wordsworth: No.

The Hon. D. K. DANS: The honourable member who has interjected knows more about this industry than I do. If the Australian Meat Board is not competent something should be done about it because the livelihood of thousands of people is at stake, not only those on the farm but also those who slaughter, cart, sell, and eat beef. It is in the structure of economic well-being that one should be dependent upon the other.

It sometimes saddens me when we talk about a trade union problem and take different positions on the floor of the House. It is true that in some cases—not all cases—unions have been able to keep pace with inflation by flexing their industrial muscles. Because the farming community has over-produced some commodities, it cannot do that. When a pool of unemployment is created and people fear things, they are not inclined to go out and look for the ways they desire.

I support the Bill. I hope it does something for the industry. I hope it creates more than an illusion, but privately I do not think it will because there is too much of the commodity—let us say it is under-consumed or over-produced. We will not solve the problem with this Bill but at least it is a start.

I do not agree with Mr Lewis. I do not think the farmers could make a success of a voluntary scheme, although I would like to see them do it.

I end on this note: I hope whatever scheme is evolved and whatever the future holds, the Australian Government will come to the party. There will be a need to restructure the industry, at least in the short term. Twelve months ago the Bureau of Agricultural Economics saw a good future for beef, so it would be silly for me to say the present situation would last for 12 months. I hope the people who produce beef will get the return to which they are entitled, and I hope the Bill at least emphasises—if it does no more—the

plight of people down on the farm. If it does that, it will do a good job, but it would be far better if it did what some people think it will do.

I do not think even the people connected with the farming industry really believe the scheme can do all the things some people think it might do, but at least it may go some of the way towards preventing the price of beef dropping further.

It worries me to see on the board representatives of the very people who are running around hijacking the price. I suppose we must have them there, but it seems rather strange to me. Let us hope they behave in a responsible manner because, after all, in the long term if others are held to ransom these are the people who will be out of business.

I commend the Bill and hope it receives a speedy passage. I hope it does something to alleviate the problems being experienced at present by those in the industry.

THE HON. C. R. ABBEY (West) [9.31 p.m.]: It is refreshing to see members of the Opposition adopting an objective line on this proposal. It is quite obvious they should not have less faith in human nature than those who proposed the committee and went forward with the proposal to the extent that the Bill is now before us. It is surprising to producer members of this Chamber that such co-operation exists in the industry.

Let us be objective about the matter. I would think the meat trade realises that if this scheme is not made to work we will have a situation in which we will definitely have to introduce a scheme which will place greater restrictions upon the trade than this scheme does. Surely this is an objective approach.

A great deal of comment has been made about the possibility of meat coming here from other States. Sure, that is a risk; and it has been recognised. We know it costs approximately 5c a pound to bring meat from the other States to Western Australia. Therefore, that is the margin within which this committee will have to work. It will have good liaison, and will be able to assess the state of the markets in the Eastern States.

However, Western Australia has led Australia in many areas of agricultural marketing. Probably the latest example I could quote is the Egg Marketing Board. Some people do not agree that board is a good solution to the problem, but most of the other States are now following Western Australia's lead of several years ago. Therefore, is it not reasonable to suppose that although the measure before us is not by any means one of the best Bills we have had in regard to marketing, it will lead to stabilization and greatly assist the industry?

I could also draw a comparison with the wool industry. A floor price situation was created in regard to wool; and after some considerable time—in fact, many months—we are now experiencing an improvement in the industry and a firming of the price. At the inception of that scheme many people were prepared to say it would not work; but it is working. The world market is absorbing more wool, and the Australian Wool Commission is not now buying very much wool at all. In the not-too-distant future we should return to a situation in which most of the wool produced in Australia will be absorbed into the market.

That is not a bad position to be in, bearing in mind that the wool industry was in a position similar to that in which the beef industry finds itself today.

The situation in Western Australia is perhaps different from that in the other States. I think it is interesting to consider our meat production figures. The total of all meats produced in Western Australia in the year ended the 30th June, 1974 amounted to 190 100 tonnes, and the amount of domestic consumption was 119 100 tonnes. Those figures differ vastly from the figures of the Eastern States, where, for example, in Queensland a large proportion of the meat produced is exported. I believe the situation in Western Australia is better than that of any other State. The domestic consumption of beef and veal in this State in 1973-74 amounted to 58 300 tonnes out of the total domestic consumption of all meats of 119 100 tonnes. So approximately half of the meat consumed in this State is beef.

Mention has been made of the doubtful position of producers who may be relying on credit from firms such as Elders, Western Livestock, and Wesfarmers—which have given great support to the industry over the years—and also on credit from banking institutions. I feel reasonably certain that, given a stable situation, even though the price may be low those firms will see that something is being done to assist the industry and they will be prepared to support the industry which has supported them for so long. From this I see a situation developing which will be of considerable benefit to the industry.

Several speakers mentioned that this Bill cannot do any great harm, anyhow, because it has a limited life and will be reviewed within a short time. However, the other States are in a position just as desperate as, or worse than, Western Australia's position; and if we see the other States following our lead and developing similar schemes—and I believe they are likely to do that, having followed our lead in many other matters of this nature—then we should perhaps consider improving this legislation instead of terminating it in eight or nine months. Perhaps we should consider continuing with it on

the basis of all States participating and not being totally dependent on what may be done by the Commonwealth.

Let us consider the position of the Commonwealth. It can by Statute prevent beef or any other meat leaving Australia at below a certain price. If it were to do that it would have to take into account export markets. That would be a pretty difficult exercise, but it might well be worthy of close study.

This Bill, of course, has a great many virtues so far as private enterprise is concerned. Private enterprise in the meat industry has participated in formulating the scheme contained in the measure and, therefore, it has a vested interest in making it work. Mention has been made of export meat, and it was said that the prime cuts might well be placed on the local market. That is true, but I suggest this problem has been recognised in the Bill, because clause 8 (2) states—

(2) A person shall not buy or sell any beef within a class and weight range for which a minimum price is for the time being fixed by public notice under subsection (1) of this section at a price less than the minimum price so fixed for that class and weight range.

Penalty: Two hundred dollars.

That provision certainly could be affected by the fact that perhaps two-thirds of a heavyweight carcass could be exported, and one-third of the prime cuts could go onto the local market. However, I do not believe the trade would be so foolish as to torpedo the scheme, because if it did it would face a scheme much more stringent than this. I think the men in the trade are generally good businessmen who want to preserve the industry.

It is perhaps a little fatuous to suggest that suddenly we should send two or three, or even six, commercial representatives to the Arabian States in the hope that they would immediately make an impact in that area which would overcome our problems. I do not think that is at all feasible. However, I think it is feasible to create a situation in which Western Australia, as a vital part of Australia as a whole, takes the bull by the horns and establishes a number of points in the Arabian States to which we could send one or two good officers with commercial experience.

All members are aware of the potential there, so I will not deal with that at great length. Mr Wordsworth visited that area recently, and possibly he will give us a more detailed account of the situation. However, it is quite true that if we get out and sell our meat we will have a greater chance of overcoming our present problems. Let us not sit down and weep.

It is obvious that the expenditure on the part of the State Government would be fairly minimal, and it could start the

ball rolling by sending several good representatives to those areas as a follow-up to the three-man mission which visited the Arabian States, headed by Mr Jack Neall of the Department of Agriculture. I believe that commission made a good impact in the area. I have read its reports, and I think they are objective and useful and should be followed up vigorously. They can be followed up vigorously by sending good representatives to the area.

It is heartening to see that the farming community has fully supported RTC which, as members would know, is an exporting company with grower capital which has already made contact with the Arabian States and is in the process of setting up an organisation in one of them. This self-help is something which should be encouraged—in fact, it should be demanded—from an industry which finds itself in such dire straits.

When I speak about representatives or an organisation from Western Australia becoming involved in the Arabian market, I would envisage their being empowered to feed back to the private sector the information they obtain, and I would hope that information is co-ordinated if and when such an organisation is established. I would hope the receipt of orders into Western Australia is co-ordinated. We must recognise that there are few exporting organisations in Western Australia which can handle really big orders.

There is every hope that with the establishment of a co-ordinating authority several firms could be encouraged to fill a long-term order, and this would be of great benefit to the producers.

There is also the problem of consigning small orders to some of these quite important markets. If a co-ordinated effort is made by a statutory body to arrange transport, both by air and by sea, then the State will benefit. It would then be possible to arrange for a number of exporters to fill orders.

It has been announced in the Press, and this is borne out by reports submitted by Mr Neal, that at one stage there was a demand for 30 000 tons of fresh chilled beef per week to be airfreighted to an overseas market. No company or organisation in Australia was big enough or sufficiently well organised to make a bid for that market. I do not know the price that was offered, but I believe it was a profitable price. I understand that Turkey has now captured that market, and naturally Western Australia has missed out. This is an illustration of the need for exporting firms to co-operate, and only a statutory body established by the Government will be able to bring about that co-operation.

I do not want, accept, or hope that private enterprise will be unduly interfered with, but we should attempt to co-

ordinate the markets and our efforts, and thus capture some of those markets.

It was mentioned by the previous speaker in the debate that the Australian Meat Board should be doing something about this matter. In common with most producers in Western Australia I believe that the Australian Meat Board has let the producers down. Its overseas information service is obviously very inefficient. In recent months before the beef market absolutely fell to pieces, the board was saying that the market was assured. The fact is that the Australian Meat Board has a few representatives in various parts of the world, but this is not a truly commercial set-up. They are merely listening posts, and often they fail to get the information back to Australia.

Let us in Western Australia paddle our own canoe, and set up an organisation which will co-ordinate the functions of the industry that the Australian Meat Board is supposed to fulfil; let us do this in a manner which will benefit the State. By doing this we will keep the industry on an even footing, and enable the producers to extend their activities and capture stable markets. We will also be able to feed the world, and provide a stable economy in the country areas of the State.

THE HON. D. J. WORDSWORTH (South)[9.50 p.m.]: When one deals with a subject of great economic importance to Western Australia it is rather disappointing that some members think we should conclude the business of Parliament and go home for Christmas. We spend 95 per cent of our time on matters which affect our standard of living, but very little time in dealing with the economics of the State. The Bill before us is of great importance to the State.

The Hon. R. Thompson: Who suggested we should finish and get home for Christmas?

The Hon. D. J. WORDSWORTH: Last June I was privileged to be able to travel overseas. I spent about a month in South America; this region is the principal meat producer of the world, and is a competitor with Australia. Later on I went to Britain where I had discussions with several members of Parliament who had guided Britain into the European Economic Community. I then travelled back to Australia through Europe, and on the way I looked at the Middle East markets. In a period of three months I was fortunate to be able to visit the export markets of the world. I am quite convinced that whilst the industry is now depressed, there is a chance for us to pull ourselves out of this situation.

The beef market is rather peculiar. It is divided into three parts, and the local market is quite independent of the export market. Most people realise that today Australia is the biggest meat trader in the world and yet it does not have large cattle

numbers. Obviously the industry is so efficient that it is having a major effect on the markets.

We have built up a very big trade with the United States of America, but that is entirely third-grade meat. This is meat from old cows, unfattened animals, or beef from the north-west.

The Hon. S. J. Dellar: Not all of it.

The Hon. D. J. WORDSWORTH: Not all of it, but most of it. Many people are disappointed with the American market, but they realise that country imports our meat in great quantities. The importers of our meat have not done what the cattle men in America have recommended; that is, implement a total ban on these imports. The American market is still taking a large quantity of beef from Australia, but we have been asked to restrict our exports. Australia has agreed to reduce its exports of beef to three-quarters of last year's quantity.

It may be of interest for members to learn that I consider it may be an advantage that the price of third-grade meat has fallen. Today the world is turning more and more to synthetic or substitute meat. Plants have been established in Australia to produce this substitute meat, and they will have an effect on the consumption of beef, unless the price is reduced.

Recent research undertaken in America has indicated that synthetic meat made from a mixture of soya bean and beef will capture a third of that grade of the meat market. We may never have a return to high prices for third-grade meat. For that reason we should fix a higher price for the better quality meat as at present this grade is not threatened by synthetics.

The European Economic Community, or Common Market, is a different market altogether. I do not think the politicians of those countries realised the seriousness of the situation. I have spoken to the Minister in Britain who led that country into the European Common Market, and I referred to the subject of the beef bank. He said, "What about it? It represents only three days' supply of meat in the country." Those three days' supply of meat refers to three days of total consumption of meat. Of the lower grades of meat that country had a month's surplus, and it could take some time to dispose of it.

With their system of trading and support schemes, those countries can dump their meats on other markets, and it is these markets Australia can use for diversification. Russia is a country which has taken advantage of the situation and recently it purchased 10 000 tons of meat from Australia at a ridiculously low price—41c per kilo, which means a return of only 10c per lb to the producer.

I hope that Australia can learn a lesson from this, and be wary of support schemes. In this case the people of Britain consume the best part of the carcass and put the remainder into storage. The price of the meat put into store is guaranteed. I do not think that any such proposals have been put forward in Australia.

The other market available to Australia is the Japanese market; this market was opened up recently. The Japanese market prefers over-fattened, heavy weight animals, the meat of which is not eaten in Australia. Inflation and the high oil prices have affected Japan seriously, and their stores are full of unsold meat. When the Japanese Prime Minister was in Australia recently he said that he would do all he could to remove the import quotas. Even if they are removed, there would be little effect on imports from Australia because the stores in that country are full.

Producers who have heavy weight animals should slaughter them. These animals cannot be retained until the other countries start buying meat again. They should get rid of this type of finished animal, and buy in stores again.

Meat exported from Australia is different from meat sold for local consumption. Most Australians eat baby or grass-fattened beef. Our people do not prefer fat animals. The Bill is designed to increase sales of meat locally. We can overcome a lot of the present difficulties if the animals are slaughtered when they are younger. If younger beef is put on the market then the producers will be able to enjoy the benefit of the support price, as more animals will be killed.

I know that the producers at Esperance and other distant centres of the State are somewhat concerned that they will not get a share of the local market. By the time the animals from those areas reach Midland they will be declared as stores and sold cheaply.

The Bill does not solve the problems at all. It has to be taken very largely on trust. There is yet a chance to lift the industry out of its troubles. Whilst the Bill may not be the full answer, at least it will play its part.

I would now like to mention one aspect; that is, the effect of industrial or union action on the meat industry. This question has been kept fairly quiet. I am sure most members realise that the meat industry union has recommended that the waterside workers do not load live animals onto ships. Earlier in the year a ship at Geelong was held up for three weeks, and the consignee in that case lost hundreds of thousands of dollars. This was a consignment of live cattle. We have seen a complete ban being imposed by the unions on the export of live cattle, except for a few hundred head to Singapore.

In my opinion a very large market is open to us in the Middle East. I refer to two examples. Australia has established

very good relationships with Libya, due to the despatch of officers of the Department of Agriculture to help that country to overcome its problems of growing wheat. They look to our country as part of the third world, and they wish to trade with us.

I recently saw in a copy of a publication produced by the meat industry that the Libyan National Meats Corporation has signed a \$US3.2 million contract with an unnamed French firm for the supply of 5 000 head of cows for meat slaughter. The first shipment of 500 has already arrived in Tripoli.

It is rather disappointing that after we have given so much aid to Libya that country, which is keen to trade with us, is forced to trade with our competitors. We ought to be able to develop that market. We recently sent a deputation to the Middle East. A representative of the unions, who was part of the deputation, realised the difficulties which were experienced because of the ban on the shipment of livestock. The leader of that delegation, in his report, provided statistics which showed that beef imports into Iran from France, totalled 4 000 tons; from Bulgaria, 500 tons, and from Australia 250 tons. So, out of a total of 4 750 tons imported by Libya, Australia supplied only 250 tons. A condition of that purchase was that an equivalent tonnage of live sheep had to accompany the shipment. In other words, those people do not want carcasses; they prefer live animals.

They have very good reasons for desiring live animals. They do not have sophisticated methods of marketing. They have cheap labour available and they are able to kill a sheep around the corner and sell it to a butcher shop. They eat 75 per cent of the animal, instead of only 50 per cent as we do in this country.

The Hon. I. G. Medcalf: They do not have cold storage facilities.

The Hon. D. J. WORDSWORTH: That is right. However, they seem to have a remarkable amount of wealth. I found that live wethers, right throughout the Middle East, were worth \$A25, which is probably three times what they are worth in Australia. Even the peasants seem to be able to buy them and market them in their own way. Of course, they have their own customs.

We should take notice of the Japanese who have learnt that one cannot tell someone else what he wants. We have to find out what people want and then try to capture that market by copying it. Instead of expecting other countries to take what we produce, in the manner we produce it, we should find out what those countries really want. Other countries have different marketing methods.

The people of Middle East countries have a fascination for male animals. They believe the meat from a male animal gives

them a certain fertility and when one goes into their shops one finds the male organs are displayed with the carcasses. The male carcasses are worth much more than are the female carcasses. Yet, our regulations are such that we have to remove the organs and send the carcasses away as "nonsexed" animals. We are destroying our own markets. I have some sympathy for the unions when they will not allow live animals to leave Australia. They believe the animals should be killed in Australia rather than have our slaughtermen out of work.

We have to develop a market for live animals and, at a later stage, convert it to chilled meat. Westralian Farmers Co-op is already doing a good job in this regard. The farmers should be able to take part in the market which is available for live animals, for which people in South-East Asia are prepared to pay twice as much as they pay for a chilled carcass. A town such as Esperance is dependent on a live market because it does not have its own abattoir. The development of an export market for live animals would go a long way towards solving the difficulties at Esperance.

The Meat Industry Employees' Union should give a fair go, and allow the export of live animals. I believe we would be able to quit live store stock, and help the State back to the position where we previously enjoyed a good market.

THE HON. N. McNEILL (Lower West—Minister for Justice) [10.05 p.m.]: I am grateful for the expressions of support which the Bill has received. It is not surprising that a great number of questions have been raised, not so much directly to me, but from the point of view of answers being required regarding the operations of the scheme as proposed in the Bill. I have already indicated that it is recognised a scheme of this nature will depend, essentially, on the goodwill and co-operation of those involved, as was stated by Mr Abbey. I am sure nobody really understands the difficulties which will be faced.

In one sense it can be said there is a necessity for the setting up of this committee. I think it was Mr Lewis who made the point that a voluntary committee may well have got off the ground with the same degree of goodwill and co-operation, and may have proved just as effective.

It is recognised that the necessity for the Bill arises from the Commonwealth restrictive trade practices legislation, as amended in 1974. If we are to take any action to provide some sort of backing—if not, a completely effective backing—for the people selling beef then in the view of the Government this legislation ought to be agreed to by members in this House.

I think the Leader of the Opposition did well in raising his queries and referring to the difficulties associated with the Bill because of the short time available to him

to study the contents of the measure. I do not in any way wish to detract from the points he made other than, perhaps, make some observations as Mr Dans did on the phrase of "over-supply or under-consumption".

The Hon. R. Thompson: I was dealing with the matter on a world-wide basis.

The Hon. N. McNEILL: I suppose the position could be interpreted as "over-supply". We are faced with over-supply in Western Australia because of certain circumstances. I am inclined to think that it is not so much a position of supply, but an economic problem. I am expressing my personal view at the present time.

If it is an economic situation it would not surprise me, of course, for the situation to change quite rapidly. In recent years we have had the experience where we were faced with what was interpreted as an analogous situation with dairy products. Vast quantities of dairy products were stored in Europe and indications were that Australia was facing a critical situation which was described as absolutely dismal. However, for some reason or other, those stores in Europe which were overflowing were suddenly emptied and we were virtually embarrassed in trying to meet contracts which had already been written.

So it could well be the same situation in relation to the meat industry and, more particularly, in relation to beef. We would certainly like to think that situation will come about because everyone would be enthusiastic in the view that it could be a far more attractive way to deal with the current situation than that which the Government is proposing in this measure.

The question of section 92 of the Constitution was raised and it is true that this legislation will not have any bearing on that section. Of course, neither will the legislation dealing with restrictive trade practices. The Constitution will still prevail. Therein lies the difficulty, as the Leader of the Opposition pointed out.

The Leader of the Opposition also raised the question of who will determine where the beef will come from, and who will determine the method of selection. In my opinion there is no similar scheme in operation whereby supplies can be restricted. In those circumstances I can only agree with the Leader of the Opposition that this will only be determined by practice.

I think Mr Abbey said that the livestock people are absolutely crucial to this whole exercise. Considerable responsibility will devolve upon those people to ensure that supplies are forthcoming. Once again, the possibility of the scheme being 100 per cent effective is fairly doubtful, and fairly remote.

Another very important practical point raised by the Leader of the Opposition was in relation to what will happen when the

Bill comes into operation, regarding the producers of beef as distinct from the producers of store cattle. The store cattle producers could have been holding cattle pending the introduction of this measure, and there could be some prospects of a glut ensuing. Once again, to what extent this Bill will overcome that situation I do not know. To what extent there will be co-operation remains to be seen.

The Bill will give an opportunity for that co-operation to occur. There is a belief, borne out by the representations which the Government has received from the various organisations to which I have referred, that the scheme is well and truly worth putting into operation as a means of providing some sort of support or solution to the predicament facing the beef industry.

I think the other matters raised will be better dealt with during the Committee stage. I believe it is the wish of the Government that this Bill should proceed despite the view expressed by Mr Lewis, who does not find favour with the measure. With those words I commend the second reading.

Question put and passed.

Bill read a second time.

In Committee

The Deputy Chairman of Committees (the Hon. Clive Griffiths) in the Chair; the Hon. N. McNeill (Minister for Justice) in charge of the Bill.

Clauses 1 to 4 put and passed.

Clause 5: Members—

The Hon. R. THOMPSON: If this Bill were an ongoing Bill, and not one with a limited life, I would not agree with the proposed composition of the committee. On a committee such as this, there should always be adequate grower representation. Likewise, I would like to see independent consumer representation on the committee. I do not have anything against the Commissioner for Consumer Protection, but he is the head of a department. Looking at the total representation of the committee, it seems to be loaded against the grower. I do not mean that the committee will not consider grower interests, but I would like to see more grower representation on a permanent authority. I make that comment in passing as I do not intend to move any amendments.

Clause put and passed.

Clauses 6 to 9 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

NICKEL (AGNEW) AGREEMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. N. McNeill (Minister for Justice), read a first time.

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [10.19 p.m.]: I move—

That the Bill be now read a second time.

This Bill has been framed to ratify an agreement which formalises the terms and conditions under which a new nickel mining, concentrating, and smelting project will be established near Agnew in the eastern goldfields region some 130 kilometres north-west of Leonora.

The agreement is between the State, Western Selcast (Pty.) Limited, which has a 60 per cent interest in the venture, and Mount Isa Mines Limited, which has the remaining 40 per cent interest.

Shareholders in Western Selcast comprise Selcast Exploration Limited, Selection Trust Limited, and Consolidated African Selection Trust Limited. Australian equity in Western Selcast and Mount Isa Mines Limited—and therefore in the project—totals some 22 per cent and both companies are wholly Australian managed. It is expected that this percentage will increase, the timing and form of the increase to be the subject of negotiations involving the State Government, in a sensible and practical manner.

With the approval of the State a new company known as Agnew Mining Company Pty. Ltd. has been set up to manage the project.

It can be seen that the project has the backing of extremely reputable and capable organisations. It has a tremendous amount of marketing knowledge, proven financial strength, and it will bring substantial mining and processing expertise to Western Australia.

The completion of this agreement is a major step towards the establishment of the project which will ultimately involve capital expenditure by the joint venturers of more than \$200 million.

We are confident that it will lead to a decision by the joint venturers in the new year to proceed, and that we will see the project proposals required under clause 6 of the agreement lodged well inside the deadline of the 31st December, 1975.

The joint venturers have already spent in excess of \$17 million in bringing the project to its present stage, and despite the fact that economic factors are currently running against developments of this magnitude, I understand an early positive decision is considered to be highly likely.

Before I deal with the provisions of the agreement and with the details of the project itself, I think it would be appropriate for me to mention something of the history of this venture.

Before Mount Isa Mines Limited took up its 40 per cent interest in the project in July this year, the exploration and proving of the nickel ore body was carried out by Western Selcast (Pty.) Limited.

After having acquired mining claims and leases earlier, the company first intersected ore in the vicinity of Perseverance Bore, near Agnew, and since then has carried out an extensive drilling programme which has proved up ore reserves of major world significance. The total is estimated at more than 40 million tonnes of nickel ore averaging approximately 2.2 per cent nickel content.

By November, 1972, Western Selcast was ready to make a final decision to proceed with the development of the mine. This decision was not taken, however, as in December, 1972, the first of several currency movements and the introduction by the Commonwealth Government of the statutory deposit requirement affected adversely the economics of the project to the extent that it would have been imprudent for the company to have proceeded at that time.

With the recent removal of the statutory deposit requirement on investment capital entering Australia, and the latest currency movements, the economics of the project have improved to the point where development can now be contemplated.

The joint venturers now hold an area of some 750 square kilometres, mostly under mineral claims, but also including eight mineral leases covering the ore reserves which have been proven. The areas are shown in plan "A" annexed to the agreement, a copy of which I desire to table.

A substantial number of the mineral claims shown in yellow on the plan are held by the joint venturers already, whilst others are those which the joint venturers may acquire prior to the issue of the mineral lease under clause 15. It will be noted that the definition of "mining areas" in clause 1 of the schedule makes this clear.

The total area of the mineral claims is quite substantial and so, after providing for an interim period while the project is established and a cash flow has commenced, the joint venturers must, under clause 16, commence a programme of surrender of those mineral claims they did not include in the initial mineral lease.

The joint venturers are required to surrender one third of the area of the claims in each of the fourth, fifth, and sixth years after commencement of production, and may apply to have any of the area so surrendered included in their mineral lease.

These arrangements are fair to the joint venturers but also ensure they will get on with the job of exploration in due course.

The joint venturers plan to develop the deposits initially as an open-cut mine, with work proceeding simultaneously on driving shafts and a decline to give access to deeper ore bodies.

Under clause 21 the company is required to pay standard royalties under the Mining Act, but there is a proviso that the rate of royalty prevailing at the date production commences will remain unchanged for four years.

As I have mentioned, the agreement requires the joint venturers to submit detailed proposals on or before the 31st day of December, 1975. These must cover a project with a capacity for mining, concentrating, and smelting, not less than one million tonnes of ore per year. It is confidently predicted that we will eventually see a far greater level of production.

The joint venturers plan to construct a nickel ore concentrator at the mine site, and a flash smelter instead of an electric smelter. The smelter will produce nickel matte of around 75 per cent contained nickel and this will, of course, greatly reduce the cost of transport to the coast.

The significance of the flash smelter is that the process requires considerably less fuel oil than would otherwise be necessary for electric smelting, resulting in cost savings for both the commodity and its freight to the plant site.

As a further development after the concentrating and smelting stage, clause 22 of the agreement requires the joint venturers to investigate the technical and economic feasibility of establishing a nickel refinery in an unspecified location in Western Australia within 10 years of the commencement of mining. The State also has the right to carry out similar studies.

If the establishment of a refinery is proven in these studies to be economically viable, the company must establish a refinery to be operating no later than 15 years after the commencement of mining. The refinery may be constructed by the joint venturers alone, or in conjunction with another company or companies.

It can be seen that the scale of industrial development that will flow from the agreement will be very substantial indeed, and Western Australia will achieve the maximum economic benefit possible out of the establishment of this project.

The Hon. S. J. Dellar called attention to the state of the House.

Bells rung and a quorum formed.

The Hon. N. McNEILL: The agreement contains the usual provisions in respect of proposals for a joint venturers' project but among these, for the first time, is a requirement for an environmental impact statement to be prepared as part of the

preliminary studies under clause 5. Already the joint venturers have done a considerable amount of work in planning for the best possible living and working conditions in what is a very harsh environment.

Obviously the town will be a primary subject of the proposals. It is planned by the company that it will be sited approximately 10 kilometres from the mine and smelter, and it will provide accommodation and facilities for a population of about 3 000.

Clause 18 of the agreement clearly defines the joint venturers' obligations with respect to development of the town. They must, at their cost, provide, equip, service and maintain total community services including sewerage reticulation and treatment, main drainage, social, cultural, and civic facilities, public roads, schools, hospitals, and buildings required for recreation, firefighting, and other services.

The joint venturers have the usual rights to freehold developed townsite lots.

Clause 12 of the agreement requires that the whole of the output from the company's plant and any bulk commodities freighted inwards to the town or plant will be transported by road between the existing rail-head at Leonora and the project site. The remainder of the journey will be handled by the Railways Commission. Freight rates on nickel matte carried to Esperance or Fremantle are set out in the first schedule to the agreement.

In respect of non-bulk commodities, however, the joint venturers may elect to transport by either road and rail between Kalgoorlie and the mining areas, with the proviso that the Railways Commission will not be bound to accept less than full wagon loads. The company can, as of right, obtain road transport licenses for this journey on payment of the usual fees. This is a new and sensible concept in agreements of this nature. It ensures that the railways will handle the transport tasks to which it is best suited and, at the same time, the joint venturers will achieve a degree of flexibility in their operations which may not normally be available.

The agreement provides for the joint venturers to pay \$1 million in the form of an advance in the payment of freight rates towards the cost of upgrading the Kalgoorlie-Leonora railway.

Should the State elect to construct a railway between Leonora and the mining areas at Agnew, the joint venturers will contribute towards the total cost of providing the new railway and additional rolling stock if required, on a basis to be agreed.

I should comment here that in clause 20 the State has endeavoured to focus the export of matte through the Port of

Esperance, a wish which is shared by the joint venturers. However, we have had to recognise that circumstances such as the availability of suitable shipping may make this impracticable, and so provision has been made for approval of an alternative port or ports.

The agreement also contains important provisions in respect of new roads, as set out in clause 11. The most substantial of these is a new road between Leonora and Yakabindie on a new alignment east of the old Leonora-Yakabindie road. It will be sealed from Leonora to the turnoff to the mine town, the rest to be unsealed and constructed to a standard similar to the existing road. The cost of the whole of the new road will be shared equally by the State and the joint venturers.

Similarly, the cost of a sealed road connecting with the mine townsite to the east and an unsealed road connecting with the old Leonora-Yakabindie road to the west will be equally shared.

Finally, the joint venturers are to construct a sealed road from town to mine at their sole cost. The remaining provisions regarding roads are fairly standard in these agreements.

I would like to make particular reference now to the project's water requirements. The provisions covering this aspect are set out in clause 14. The need for a reliable source of water in such a remote location is clearly of paramount importance.

The joint venturers have conducted an extensive search for water at their own cost, and while they have been unable to locate an adequate source of water within their mining areas, a substantial source has been discovered in an underground aquifer near Depot Springs, some 50 kilometres from the mine site. It has been protected by declaring the area a water reserve.

To meet a requirement for 28 000 cubic metres of potable water per day the joint venturers will provide, at their cost, in accordance with approved proposals, all the necessary bores, pipelines and associated equipment necessary to develop the water resource they have discovered.

The usual provisions apply in regard to grant of licenses under the Rights in Water and Irrigation Act, grant of powers of a water board under the Water Boards Act, and grant of powers of a local authority under the Local Government Act in respect of supplying water to third parties.

Should the Depot Springs water reserve prove hydrologically inadequate to service the joint venturers' needs under continuous pumping, the State may reduce the amount of water available under licenses issued to the joint venturers. Should this occur, the State will, at cost to the joint

venturers, search for additional water to meet their requirements, and will simultaneously use its best endeavours to supply the joint venturers' requirements from other sources.

The agreement calls on the joint venturers to use their best endeavours to conserve water. It also provides that the State can acquire the joint venturers' water scheme to make it part of a regional water supply, with the State accepting the obligation to continue to supply the joint venturers' needs at a fair price, having regard for operation, maintenance, and replacement costs, except that domestic water will be at country areas water supply rates. By side letter the cost of acquisition has been fixed at \$1.

A similar arrangement has been entered into in respect of the acquisition by the State of the joint venturers' sewerage facilities.

The conditions under which the State may supply water to third parties are set out and include detailed protection of the joint venturers' first right to water from the resource. In addition, substantial users drawing water within the initial five years of the joint venturers' first use of the water resource must reimburse the joint venturers a fair proportion of their costs of investigation, development, and utilisation of the water.

There are two further provisions which are new to these agreements. The first of these appears at clause 14(11) under which the State may not grant rights to mine over the area of any aquifer from which the joint venturers draw, or may draw, water unless it does not prejudice the joint venturers' operations.

The second is a protection of the joint venturers' first right to use any surplus capacity which it builds into any pipeline constructed at its own cost. This provision would take effect only in the event of the State having taken over the joint venturers' water facilities and wanting to supply third parties.

As has been the practice with similar major development agreements, the joint venturers are called upon to use, as far as it is reasonable and practicable, local professional consultants and local labour. They must also give local manufacturers and contractors the opportunity to quote for any work required, and to consider local manufacturers and contractors when letting contracts or placing orders.

This condition has been included in the agreement to ensure that maximum economic benefit flows from the project into local industry, providing maximum employment within Western Australia. As a means of assessing the impact of this provision of the agreement, a further requirement has been included under which the

joint venturers may be requested to report periodically on the implementation of the clause.

With two exceptions, the remaining provisions of the agreement are in common with a number of other agreements covering similar projects; the exceptions are clauses 26 and 36. The former provides for termination of the agreement by the joint venturers—without loss of certain rights, such as title to the mineral lease—if this Parliament enacts legislation which modifies the rights or increases the obligations of the joint venturers.

There is a proviso to the clause which provides for the State to remedy the problem within 12 months if practicable.

The other exception, in respect of clause 36, simply provides for some flexibility, subject to the discretion of the Minister, in the manner in which the joint venturers provide the financial contributions required to be made under the agreement.

This project is one of major importance to Western Australia in general, and to the northern area of the goldfields in particular. It will be the northernmost of the nickel projects in Western Australia and, because it is such a substantial development, it will increase prospects for the establishment of further projects in the region. The industrial, residential, transport, and other developments flowing from this agreement will also heighten prospects for the establishment of a greater range of services in the Kalgoorlie region. It will enhance equally the tourist industry in west coast towns and resorts.

The agreement provides for the development of a valuable and worth-while project and for this reason it deserves all the support which Parliament can give. I commend the Bill to the House.

The plan was tabled (see paper No. 367).

THE HON. S. J. DELLAR (Lower North) [10.37 p.m.]: This Bill is to ratify an agreement between Western Australia, Western Selcast Proprietary Limited and Mt. Isa Mines Limited with respect to the mining operation it is proposed to undertake at Perseverance, about 130 miles north-west of Leonora.

I point out that negotiations for the agreement were initiated during the term of the Tonkin Government; this agreement is the culmination of the work done by that Government. I wholeheartedly support the Bill and hope that every member in this House is behind the project. By world standards, the 40 million tonnes of low-grade 2.2 per cent nickel ore located at Perseverance is a very important find.

It has taken many years to develop the project to this stage, where we are now called upon to ratify an agreement so that further work may be carried out to enable the companies involved to undertake feasibility studies. I hope the companies will be able to meet the deadline of the 31st

December, 1975, and come back to the Government with detailed proposals for the implementation of this venture.

The project itself includes the mining of the ore, the construction of a concentrator and a flash smelter at the mine site and the subsequent provision of a smelter to enable the ore to be refined.

In his second reading speech, the Minister said—

This project is one of major importance to Western Australia in general, and the northern area of the goldfields in particular. It will be the northernmost of the nickel projects in Western Australia and, because it is such a substantial development, it will increase prospects for the establishment of further projects in the region. The industrial, residential, transport, and other developments flowing from this agreement will also heighten prospects for the establishment of a greater range of services in the Kalgoorlie region.

The agreement provides for the development of a valuable and worth-while project and for this reason it deserves all the support which Parliament can give.

Having said that, I think enough has been said. However, it would be remiss of me if I did not carry on and say a few more words about this agreement. It is unfortunate that the agreement has been presented to Parliament at such a late stage of the session. I would have liked to have a little more time to study the agreement. As it has already been signed, the agreement is a *fait accompli*; we are merely asked to ratify an agreement, and it has my wholehearted support.

It will be recalled that during the term of the Tonkin Government, we adopted the attitude that agreements should be brought before Parliament before being signed and we were criticised for so doing.

The Hon. W. R. Withers: I wish you had done that with the Texada agreement.

The Hon. S. J. DELLAR: The honourable member might be right; it might have saved a little time. However, he would not have received as much publicity as he received at the time.

The Hon. W. R. Withers: Agreed!

The Hon. S. J. DELLAR: As Mr Wordsworth mentioned earlier tonight, I believe important measures such as this should be introduced into Parliament and the debate adjourned for a reasonable period so that members may have more time to study the legislation. I certainly have not had time to go through the agreement tonight, although I accept that it is basically a general agreement. Although it contains certain variations, at this stage I would be prepared to support it.

As I mentioned earlier, the companies have been given until the 31st December, 1975, to come up with the necessary plans and documentation supporting their proposal to proceed with the venture. I hope and trust they will be able to meet this deadline and get the project off the ground. I believe the completed project will cost somewhere in the vicinity of \$200 million and by any stretch of the imagination, is a worth-while venture.

The Minister mentioned that certain action was taken in 1972 which delayed the negotiation and signing of this agreement. I believe the companies involved should be commended for their action in signing this agreement. I believe they have taken a bold step in deciding to proceed with such a project during such times of world economic doubt and instability.

If we compare this with the Poseidon project which is now a venture in operation and take our minds back five years when Poseidon was first mooted and members of Parliament were discussing at that time an agreement to establish the Poseidon nickel mine, the economic problems that face us now did not exist. The price of nickel was high and everyone was confident that the Poseidon mine would be a "goer". It has taken the company five years to reach the stage of producing ore. The company has met many problems, but fortunately these have been resolved. A railway has been built, and the town has been upgraded to accommodate the staff and the workers on the Poseidon venture.

When the project, the subject of this Bill, does become operational it will be larger than any other project we have seen come into existence in the nickel fields in Western Australia. I believe it will become a centre of a wide ranging and vast mineral field. Western Australia, of course, has a greater range, variety, and volume of minerals than is found anywhere else in the world. It is only a matter of time before we reach the stage where we will be exploiting this field for the benefit of this State and Australia as a whole.

I think I can now slightly digress and return to the point on which I spoke when I first rose to my feet after being appointed a member of this Chamber. Mr Withers is smiling and no doubt he recalls that incident very well, and there is no question that it is vivid in my mind. At that time the word "Poseidon" was being banded backwards and forwards, and I said then that the people who had lived in those areas for many years and had hung on in the hope that something would happen deserved praise and commendation. We have seen this happen at Laverton where the people stayed on in the area hoping and praying that something concrete would eventuate. We have seen this occur also at Agnew and Leonora which are not far distant from this project.

The completion and culmination of this project will prove to be of great benefit to the State and it is unfortunate that I cannot spend a great deal of time discussing the agreement itself. One important aspect of it, however—and this is mentioned on page 16 of the Minister's notes—refers to the supply of water that will be required by this project before it can become operational. The Minister said he would like to make particular reference to the project's water requirements. I can well recall, and you, Mr President, would too, that during the life of the Tonkin Government the Rights in Water and Irrigation Act was extended to cover most of the areas surrounding this particular deposit and many other areas in the Murchison goldfields. The reason for the extension of this Act was that certain tests and hydrological surveys were being conducted to establish the ground water supply which could become available and used to support an industry such as the one we are now discussing.

The Hon. W. R. Withers: That was the 1969-1971 report, was it? Is that the one you are referring to, the survey that was looking into the ground water supplies that were available?

The Hon. S. J. DELLAR: I do not know about that, but these surveys have been conducted over a period of time and have covered a wide area not only in regard to this particular project in order to determine the amount of ground water available, but also other areas so that similar projects will be able to come on-stream knowing that underground water is available. In considering this question we must bear in mind that a nickel smelter uses vast quantities of water, and I only hope that Mr Berry will also be concerned enough to try to ensure that at Depot Springs the stock will not be deprived of their water supplies.

One aspect in regard to this venture is that I know provision has not been made for the extension of the railway to serve it. This is unfortunate, but perhaps at this stage such a suggestion may be regarded as being futuristic. As I said previously in this House, I can foresee the standard gauge railway of the State eventually being linked with the standard gauge railway that serves the iron ore areas in Mr Withers' province.

I understand that the provisions contained in the agreement with relation to rail freights are quite acceptable to the company and to all concerned. The company is required to pay in advance \$1 million for rail freights, which condition is designed to offset the cost of upgrading the standard gauge railway and the recently opened Leonora railway. Given the time, I could speak at length on this Bill because it is a most important measure. I reiterate that it has not just come about since the 30th March because, as the Minister stated, the company which investigated the area and carried out the initial

drilling project has spent approximately \$17 million to the stage where it has convinced other people that they should join it, and we now see before Parliament the fruition of many years of work and many hours of negotiation between government departments and financial institutions. We have now reached the stage where we have the agreement before us and I support it in its entirety.

The agreement will mean a great increase in the population of the area and, as Mr Berry would know, at present, with Mr Berry travelling south and myself travelling north, probably that would be the only time when perhaps three people would be found drinking in the Agnew Hotel. The area itself felt the impact of the nickel and mineral exploration boom which the State experienced a few years ago and, as I have said, the people in the area lived in hope that some company would find nickel nearby. Many people were disappointed and frustrated in what eventuated, but many stayed on in the fond hope that nickel would be found. I take my hat off to those people and again I commend the company for taking this bold step, especially at a time when people are speaking of an economic recession.

I firmly believe the project will get off the ground and will, I hope, as the Minister said in his second reading speech, provide for a township of some 3 000-odd people, which township happens to be in part of my province, where I could well do with an increase in the number of my constituents. In saying that I have no ulterior motive; all I have in mind is the benefit that will accrue to the State generally. When we are successful in getting people to work on the deposit the net result will be that not only will people be employed on the project itself but also on the exporting of the nickel and the State as a whole will benefit.

When this is achieved the State will be earning revenue that is provided for in the agreement. It would be very acceptable if this money were coming in right now, in view of what we have been told in the last couple of months.

The Hon. J. Heitman: The last two years, almost.

The Hon. S. J. DELLAR: Due to the parlous state of the State's finances we need all the money we can obtain, and if this project can come onstream on the 31st January, 1975, the State will then be earning additional revenue, more employment will be provided, and the State railways will see an increase in their revenue. Perhaps even the proprietors of the Yaka-bindie homestead could afford to build a new establishment seeing it is now situated on a new road.

Generally, a project of this nature will bring overall benefit to the whole area and the State as a whole, and with these few brief remarks I have much pleasure in supporting the Bill.

THE HON. J. C. TOZER (North) [10.57 p.m.]: I take this opportunity to make a few brief comments on the Bill. Like Mr Dellar I have not had much chance to study its contents, and probably there are many aspects with which we would like to come to grips, but my particular interest is in the infrastructure associated with the development. I say this quite deliberately because my experience has indicated that in the planning and the operation of mining, ore handling plant and on the transportation side of the project and other associated matters, companies, such as this one, are in a better position than anyone else to know what is required, and really the State Government cannot play a major part in advising them on these matters.

Personally, there are some aspects of the agreement I would like to have seen spelt out more positively. For example, I would like to know more about the manner in which local government could have been introduced to play a part in the development of the townsite associated with this project. I know that this will come in due course, but the problem has not been dealt with in a manner that would satisfy me.

For example, on the alienation of land, I notice that we have gone halfway. On my quick reading of the provisions of the agreement and in summing up the situation I see that the townsite will not be declared under section 10 of the Land Act. But there is provision for the alienation of land from the mineral lease. This, of course, I welcome. Members may recall that in the Western Mining agreement that was before us earlier in the session, I discussed this same principle. I think it is essential that people should be able to buy land on which not only their homes can be built but also their businesses. This matter has been given consideration in the agreement when its clauses were being drawn.

I have also a feeling that the responsible officers from the Department of Industrial Development, the Mines Department, and the Public Works Department who entered into negotiations for the preparation of this agreement in respect of the townsite do not have an understanding of the requirements of local government and the difficulties that local authorities will have in operating under the terms of this and other agreements.

It might be worth suggesting to the Minister that in future negotiations a representative of the local authority should be involved.

One marked improvement in this agreement compared with the iron ore agreements and mining towns in the north is the manner in which liability for roads is specifically indicated in the Bill. On the one hand, the Bill refers to liability for damages as a result of accidents to people using the roads which are open to the

public, but which essentially are private roads, and on the other hand the company may be liable under certain circumstances. Then, provisions apply in connection with the liability for the maintenance of the roads. In this instance the problems experienced in the north have been specifically ironed out under the Bill. Members may not know that the roads between Goldsworthy and Shay Gap or Tom Price and Paraburdoo—both private roads—are both covered by leases to the companies, but the public use both roads. Grave problems have been experienced over the last several years when accidents have occurred. The problem was first realised when a Haulpak driver was picked up by a local policeman on what he believed was a public road. It was a public road because it was used by the public and the Haulpak did not comply with the traffic regulations. A whole lot of misunderstanding and difficulties followed the apprehension of that driver. Consequently I am glad that the Bill before us seems to have coped with that situation.

In regard to transport, the Knox concept is being adopted and with this I agree because of the experience on the Meekatharra line. The company is required to contribute to the upgrading of the railway line between Kalgoorlie and Leonora, and this is fair enough. However, the company is obliged to use the railway line only for commodities in bulk. For the run-of-the-mill stuff the company is free to use road transport. The mode of transport best suited to the particular task will be the mode used.

In point of fact the Bill foreshadows an extension of the railway line which may eventually serve the mine and, like Mr Dellar, I would like this to be extended in due course because it is this kind of development which will make it a little easier for the Mt. Keith nickel project somewhat to the north and for the Yeellirrie uranium proposal to the north-west to get off the ground. It is this combined strength paying for the infrastructure which helps get these projects off the ground.

The requirement for an environmental impact study is interesting and most desirable, and we applaud its inclusion. To the best of my knowledge this is the first of the major mineral agreements which has actually incorporated such a provision and it is good that we have reached the stage where the formal application of the requirement is in evidence. Of course, my belief is that most of the companies are responsible and are keen to do everything they can in respect of this matter.

I find it quite laughable when people refer to these companies leaving great holes in the ground. Quite frankly, if the men did not know where to go, and we let loose an army in the Pilbara it could not find the quarries created by Whaleback or Tom Price-Paraburdoo, and yet

nearly 40 million tons a year is extracted from those places. The quarries are like specks in the ocean.

Another item which has caught my eye and is in accord with my thoughts is the item dealing with infrastructure. I have stated before that I believe we are reaching the stage, or should be, where Governments should accept the responsibility for many of the infrastructure items. I have in mind schools, hospitals, police stations, and so on.

In connection with education, the Education Act stipulates that all the children of Western Australia will be educated. It does not say that all the children of Western Australia—except those of parents employed by mining corporations—will be educated. In all fairness, we should reach the stage where somehow we come to grips with the question of freeing the companies from some of the burden of infrastructure which seems unreasonable.

My comment does not refer to the actual town development, such as roads, sewerage, water supplies, and electricity. Clearly these items are the responsibility of any developer.

With regard to housing, I believe that under the provisions of the housing agreements between the Commonwealth and the States, funds made available to building societies, and so on, should be readily available to the mining corporations in order that they might utilise those funds for their housing developments.

What caught my interest particularly was the reference to the fact that in respect of any expansion following the initial development provision is made for discussion to be held with the Minister so that agreement can be reached on the obligation of the company in connection with the expansion of infrastructure. I believe this is most desirable and is in line with the comment I made on the Western Mining Bill. I said then that after a period of perhaps five years from the commencement of the mining operation, the ledger should be ruled off, and from that time forward the normal rules of town development and the provision of facilities should apply. I believe that in a tentative way this particular provision is in line with my contention because it provides for discussions to be held.

This is an important Bill as is the project which I hope will get off the ground on time. We all know the difficulties of an industry which depends so much on world prices, the gaining of markets, the obtaining of capital, and so on, thus making it a slow and hard process. However, the Government we have holding the reins at present has proved it is able to complete these negotiations and I trust that the project will come to fruition in the time anticipated.

I believe we should put the record straight. The exploration programme and negotiations with Selcast commenced long before the Tonkin Government assumed office. It has been a long, slow process to date.

One last comment: I notice a reference to the need for the company to conserve water. I wish that Australia was not such a dry country because water is an essential at places like Perseverance, Agnew, and so on. The exact site is not definite at this stage. If only we had lashings of water to encourage people to grow trees and lawns, it would make the areas delightful places in which to live. As it is, water is scarce, and there is an obligation on the company to deliberately conserve it. I do hope the time will come when this will not be so essential.

I have pleasure in supporting the Bill and recommending the second reading be passed.

THE HON. N. McNEILL (Lower West—Minister for Justice) [11.10 p.m.]: I am grateful for the examination the Bill has received and I am fully appreciative of the support members have given it. I now commend it to the House.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (the Hon. J. Heitman) in the Chair; the Hon. N. McNeill (Minister for Justice) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Ratification of the Agreement—

The Hon. GRACE VAUGHAN: I am puzzled about one aspect. The mining areas have been delineated in an attached map, but they are not delineated by word. While I trust the Western Australian Government not to sell the whole of Western Australia or to give reserves over the whole of the State, I do believe we should have something specified in words. Is this not the usual procedure?

The Hon. N. McNEILL: The schedule, which we have not yet reached, provides that the mining area is that specified in the plan tabled in the Chamber. That means they are all spelt out because we must refer to the plan accompanying the agreement.

Clause put and passed.

Clause 4 put and passed.

Schedule put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

CITY OF PERTH ENDOWMENT LANDS ACT AMENDMENT BILL

Second Reading

Debate resumed on the 29th October.

THE HON. N. McNEILL (Lower West—Minister for Justice) [11.35 p.m.]: The Bill before us was introduced by the Hon. R. F. Claughton, and proposes an amendment to the City of Perth Endowment Lands Act. To remind the House of the substance of the Bill, I would refer to the debate on Tuesday, the 29th October, when Mr Claughton said—

The purposes of the Bill are achieved in three ways by amendment to the parent Act. Firstly, the Bill creates a new definition, namely "Reabold Hill", the boundaries of which have already been described; secondly, certain powers conferred on the City of Perth by the parent Act will be exercisable in respect of Reabold Hill only with the consent of the Governor; and, thirdly, the Council will be prevented from exercising its powers to classify and reclassify land in respect of the area to be known as "Reabold Hill".

I think it would be quite inappropriate for us to debate this Bill to any point of finality at the moment. Members will be aware of the interest of the Government in this matter and, more importantly, of the existence of a motion which has been debated and is still the subject of debate in another place. An amendment to that motion has been proposed. In the circumstances, I feel until that motion is determined it would be futile and inappropriate for us to debate this Bill to any point of finality. I think we should let it rest at the moment.

Debate adjourned, on motion by the Hon. V. J. Ferry.

Sitting suspended from 11.38 p.m. to 12.25 a.m.

APPROPRIATION BILL (CONSOLIDATED REVENUE FUND)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. N. McNeill (Minister for Justice), read a first time.

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [12.26 a.m.]: I move—

That the Bill be now read a second time.

Mr President, this is the Bill that comes to Parliament usually towards the close of the session to make provision for the

appropriation of the funds required for the services of the current financial year. These services are detailed in the Estimates of expenditure from the Consolidated Revenue Fund and the General Loan Fund. Prior to the year 1969 a single Appropriation Bill covered both funds. In 1969 separate Bills were introduced and this practice has continued.

This Bill, as its title implies, provides for appropriations from the Consolidated Revenue Fund and from the public account. The Bill also supplements grants made by the previous Parliament during the fourth session in adjustment of the vote "Advance to Treasurer 1973-74" for charges during the year ended the 30th June, 1974. Also, as is customary, and indeed required by Statute, approval is sought for expenditure proposed on the several works and proposed for the improvement and reforestation of State forests. The amount sought in this Bill under section 41 of the Forests Act is \$6.471 million.

The main purpose of the Bill, as I have mentioned, is to appropriate the sums required for the services of the current financial year as detailed in the Estimates. It also makes provision for the grant of supply to complete requirements for this year.

Supply of \$315 million has already been granted under the Supply Act, 1974, and further supply of \$316.495 million is provided for in the Bill now under consideration.

This total sum of \$631.495 million is to be appropriated in the manner shown in a schedule to the Bill.

The Bill also makes provision for the grant of further supply of \$45 million from the public account for advances to the Treasurer which is to supplement the sum of \$5 million already granted under the Supply Act.

As well as authorising the provision of funds for the current year, the Bill ratifies the amounts spent during 1973-74 in excess of the Estimates for that year. Details of these excesses are given in the relevant schedule to the Bill.

I commend the Bill to the House.

THE HON. R. THOMPSON (South Metropolitan—Leader of the Opposition) [12.30 a.m.]: This is the third of the money Bills that come before Parliament at the end of each session. We have dealt with the Appropriation Bill (General Loan Fund), the Loan Bill, and we now have the Appropriation Bill (Consolidated Revenue Fund). The total amount of money to be appropriated by this measure amounts to \$716.9 million, and we all know this is a record.

The Budget was brought down and debated in another place, and early yesterday morning I criticised it to some extent. On that occasion I spoke after studying the

second reading speeches in another place to obtain a concise picture of the provisions of the financial measures.

An examination of *Hansard* will show that there is possibly now a more realistic approach to the finances of the State than in the attitude expressed by the present Premier before the election early this year. The Labor Party then and since has criticised the many unrealistic policies of the Liberal Party. The effort of this Government to date can be rightly criticised by anyone.

During the Address-in-Reply debate I said I hoped we would not see a recurrence of the parrot-like speeches made by Government members when Sir David Brand first took office. For the first two or three years of his Administration, Government members prefaced their remarks on every occasion by saying, "I think the Government is doing a good job." I have not yet heard a member of the present Government make that comment.

The Hon. N. E. Baxter: They don't have to, everyone knows it.

The Hon. R. THOMPSON: This must indicate the feeling in the minds of Government members. They came to office on the theme that everything would be put right. Of course, we now find that everything has been put right up—all taxes and charges have been increased.

The Budget was introduced in another place on the 3rd November, and it was given a full coverage in the Press. The Budget, of course, contained many provisions to increase taxes and charges, and I do not need to remind members of these.

Many members have expressed amazement at the manner in which the Treasurer has come to grips with the finances of the State. He realises he must increase revenue to fulfil some of the most extravagant election promises we have ever heard in this State. I have castigated the Government for its policy before, and I will continue to do so.

The election promises of the Liberal Party were costed by Treasury officials. Departmental estimates of the cost of the proposals are now being proved true. We see in *Hansard* that the Treasurer said the provisions of this Bill must be based on assumptions of the course of the economy in coming months. However, my personal view is that the Treasury officials are closer to the problem than is the Treasurer.

At a later stage the Treasurer went on to say that this is not something to take for granted; it may be that the future course of economic events may require a review of both revenue and expenditure before the year is ended. Of course, this could be true. I do not deny that we live in changing times, and with the present world climate, the Treasurer's remarks could possibly be true. However, I have

a lot of faith in our Treasury officials, and I believe they have made allowances for increased wages with the revenue that will flow to the Treasury from the State taxation increases levied by the Government on the citizens of Western Australia.

However, as I said previously, the Treasurer is now becoming realistic. What he trumpeted at the election is now fading away. He realises he has a responsibility to serve Western Australia; and, as Western Australians we are responsive to that attitude because we know we must progress as a State and as part of the nation. I only hope this Budget will be a success and that it will achieve what it is hoped it will achieve.

However, there are many problems which are not covered in the Budget. Probably the worst problem we are faced with is in relation to education. A very authoritative survey conducted in one section of the Cockburn electorate showed that it will be 22 classrooms short next year. That is not good enough. The old Spearwood School has been used for about the past five years, and has gradually built up its numbers to full capacity again. We were told that with the building of the Gerald Road School in Spearwood the old school would be phased out, but each year the numbers build up and now it is filled to capacity.

The reason for this is that a new school planned for Phoenix Park is not yet on the drawing board and that, of course, will have a serious effect on the people who have built, and are building, in the area. Only about a fortnight ago 20 new children presented themselves to the Gerald Road School in one week. The Southwell housing estate is in that area, and although the school has had a spare classroom ever since it was constructed, that classroom will now have to take the overflow. On top of that, this is one of the schools which will have a pre-primary centre. The establishment of pre-school centres was part of the election promises, and in this case the establishment of the centre will disadvantage children of school age who are entitled by law to attend school. We will find that children will be required to cram into the old Spearwood School, which is not far away. I understand that school is now nearly 100 years of age. This demonstrates the lack of planning and foresight of the Government in respect of the needs of the people.

I think the members of the Government must feel ashamed that they have no hope of putting into effect even a small part of their election policy.

In this House it is traditional that we do not have a full Budget debate. We do not deal with the Budget item by item, as the Legislative Assembly does. It has been mentioned on more than one occasion by people more knowledgeable than myself

in matters of the Budget and fiscal policies of the State, that these matters should be debated fully in this Chamber.

The Hon. A. A. Lewis: Did you make any efforts towards that end in the last year or two?

The Hon. R. THOMPSON: Of course, had Mr Lewis been listening to me he would have heard me say over the years it has been suggested we should do that. I am not saying the Tonkin Government was not at fault, but I would imagine this would require an amendment to the Constitution Act. I do not think Mr Lewis would disagree that such a step would be a good thing, because it would enable members in this Chamber to take a more active interest in the contents of the Budget, especially in view of the fact that the Budget now runs to many millions of dollars.

I acknowledge the fact that the high figure is necessary because of inflation, which is a world-wide problem and is not peculiar to Western Australia or Australia. At present inflation is running at close to 30 per cent in America, and the unemployment figure of that country is 7.5 per cent; whereas in Australia the unemployment figure is some 2.5 per cent lower.

It normally takes at least two years before the full impact of world trends is felt in Australia. One would think from the various statements made by the Premier that the problem of inflation is peculiar to Australia. He virtually claims it was manufactured by the Australian Government, and that it has arisen only since that Government was elected. Of course, inflation has gradually crept up. It was running at something like 16 per cent in Germany and Italy when we took office in 1971. But that has not been acknowledged. We now find Japan has one of the highest rates of inflation in the world.

The Hon. D. J. Wordsworth: They both have a reason for it.

The Hon. R. THOMPSON: All countries have reasons for inflation if they like to look for them; however, I do not think reasons will solve the problem. We must start considering world trends and stop blaming one another.

The Hon. D. J. Wordsworth: I am not blaming anyone; I am saying they are different problems.

The Hon. R. THOMPSON: We have had many debates in this Chamber in which the Australian Government has been castigated and blamed for inflation. Of course, it is not the fault of that Government. Such accusations are not justified because this is a world-wide trend. It is a cost-push trend which has brought about the present inflation. Everyone deplores this problem. The sooner we can get back to what is considered to be a balanced

economy of either a 3 per cent increase or a 3 per cent decline—which is the suggested norm—the better it will be. The 3 per cent figure has been suggested by economists in the western world for as long as I can remember.

We are supposed to have the best brains available to advise both the State and Federal Governments; though I daresay every country thinks it has the best brains in the world advising its Government.

Be that as it may, the economists have not been right. When one asks them, "Where have we gone wrong; we are in a mess?" the economists say, "If you are sick you go to a doctor. He may cure you, but you may die. If you want to know something about the economy you must come to us because we are the only ones who can advise you; but we are not always right. We are like doctors; we can only give advice."

This is a world-wide problem. I think it is sad that we have not looked beyond the shores of Australia, and that some form of world conference has not been held to work out a common solution. As long as we endeavour to tackle it in our own way we will be stuck at the tail end of the world trend. That is usually the case; we are mostly at the tail end of world trends, and this has been proven over the past two years.

If inflation is to continue, the Australian Government and all countries of the world must get together to introduce formal agreements to make long-range plans. My colleague, Mr Dans, this evening when we were dealing with the sale of beef, made a similar suggestion. However, that is only one commodity that has to be marketed—and there are many commodities affected by changes in production and by droughts—and inflation is something that should be resolved on a uniform basis throughout the world, regardless of what people may say in suggesting that it is a form of socialism. If it is a form of socialism, but it brings stability to a country, it should be accepted.

I can sympathise with the Treasury officials in Western Australia and with the Treasurer himself. Anybody who is realistic would extend the same sympathy to him because nobody knows the cost of goods and services from day to day anywhere in the world at present.

Of course one of the statements the Premier made in his policy speech in March last year was that he said inflation could be beaten by each State working together. A lead was given by New South Wales in this respect and a conference was convened and working parties got together. However, I have not heard one practical idea or suggestion emanating from the Premier of Western Australia. All he has done is to agree with the working parties

that have been established to assist in solving the problems of inflation State by State and by reviewing the economies of those States. The present Premier said that when he was elected inflation would be solved. Of course this has proved to be untrue, because he has not been able to cure inflation in Western Australia although he still maintains that inflation can be cured if somebody does something. We want him to do something. If he has a solution to inflation let him tell Mr Whitlam and Dr Cairns about it.

The Hon. N. E. Baxter: Do you think they would take any notice of him?

The Hon. R. THOMPSON: They would examine any sound suggestion. Let the Premier make one suggestion to them.

The Hon. J. Heitman: He sends them to Gough.

The Hon. S. J. Dellar: He was going to solve unemployment in six months if he were made Premier.

The Hon. R. THOMPSON: The Liberal Party hoped it would be elected on its policy, and now it is living in hopes that it will be able to put a fraction of its policy into operation. The Premier even placed stress on wage indexation. He said he did not think that wage indexation is the solution. If it is not a solution, at least it is worth a trial, because the cost-push system will result in further wage increases being sought. The members of the Government do not seem to realise that wage increases are often brought about as a result of negotiations between employers and employees, or they are granted by the various Industrial Commissions throughout Australia. It is not the workers who demand wage increases; it is their advocate who makes representation to the Industrial Commission.

I am not saying that all people would accept this, but at least in the main that is the approach most unions use if they cannot reach agreement with their various employers. I could speak for a long time on this subject, but I do not intend to do so at this time in the morning. I could talk at length on the referendum I mentioned earlier yesterday evening which was held on the 8th December, 1973. A referendum was put before the people of Australia with a view to altering the Constitution Act relating to incomes and prices. What did we find as a result of that? The Liberal Party spent thousands and thousands of dollars to convince the Australian people that the control of incomes and prices were not for this country. However I venture to suggest that if a referendum were held in the near future to give control over incomes and prices it would be accepted by the majority of Australians, because what the Australian Government had in mind at the time it wanted to hold a referendum has come to pass.

As I have said, we were on the tail end of this inflationary trend that has spread throughout the world, and the Australian Government and its advisers realised this and that is why the referendum was held in an effort to control both prices and incomes. Not so many hours ago we dealt with a Bill that would control the price of beef to ease the plight of beef producers. Of course no blame can be attached to any Australian Government for this situation.

The Hon. N. E. Baxter: That was not control of prices; what are you talking about?

The Hon. R. THOMPSON: It is a form of price control.

The Hon. N. E. Baxter: It is nothing of the sort.

The Hon. R. THOMPSON: Anything that comes within the sphere of orderly marketing, where a minimum price is set, is a form of price control, because if we take our minds back to the wartime years price control was being exercised by the Commonwealth Government on behalf of the States.

The Hon. N. E. Baxter: They were maximum prices that were being fixed and not minimum prices.

The Hon. R. THOMPSON: There were minimum and maximum prices.

The Hon. N. E. Baxter: You should go back to school; you must have been too young in those days.

The Hon. R. THOMPSON: There was price control and under the scheme submitted in the Beef Industry Committee Bill we passed this evening there was incorporated a form of price control.

The Hon. N. E. Baxter: It is not price control.

The Hon. R. THOMPSON: It is, because it is guaranteeing a minimum price to the producer for the sale of his product. It is not a guaranteed maximum price, but a guaranteed minimum price, and if the market can stand a higher price being fixed people will have to pay it, but I do not disagree with that.

The Hon. N. E. Baxter: It is not price control.

The Hon. R. THOMPSON: The moment controls are applied to any commodity it is price control. The home consumption price set for wheat is price control.

The Hon. H. W. Gayfer: That is the minimum price.

The Hon. R. THOMPSON: The situation in Western Australia is that, mainly due to the propaganda of the Liberal Party which stated that price control was no good, 31.9 per cent of the people voted in favour and 61.1 per cent were not in favour. The efforts of the Liberal Party were very successful. The incomes of those in favour of price control were much lower than those against it.

At the time the unions were not very happy about it, but I guarantee they would be very happy about it now. They would know what their take-home pay would purchase. In addition the farmer would get a fair and equitable return for his labours, and the housewife would know how to budget each week for her house-keeping.

This is not the present situation, and of course the blame can be levelled at the Liberal Party's door, and nowhere else. As I said when I commenced, this Bill involves a total amount of \$725.683 million and I hope the Government is keeping pace with its programme, not that it has envisaged anything of great magnitude. It is merely making some gestures in some areas such as \$700 000 to commence the traffic authority and an allocation of a little over \$20 000 for pre-primary school classrooms. Both these projects have yet to prove whether they are warranted.

THE HON. LYLA ELLIOTT (North-East Metropolitan) [1.03 a.m.]: Last week in this State we witnessed a very nasty incident; I refer to the police raids on the Abortion Information Service councillors and doctors' surgeries, and the seizure of certain documents including patients' confidential records. It was a disgraceful blot on this State's reputation. I might have been able to understand the action if backyard abortionists had been involved, but they were qualified medical practitioners—

The Hon. G. E. Masters: They were breaking the law, though.

The Hon. LYLA ELLIOTT: —and other people who believed they were acting within the law of the State such as it is.

I think the incident served one purpose only, and that was to highlight the injustice and the complete irrelevance of sections 199, 200, and 201 of the Criminal Code in this day and age. These sections should have been repealed long ago and should not be on the Statute book in 1974. They were taken from a law framed in Britain over 170 years ago when the society of the time believed it was quite all right to hang a man for sheep stealing or some other offence against property and to export people to Australia for stealing a loaf of bread or something similar. I am aware, of course, that certain common law judgments have created a situation in which doctors believe they can terminate a pregnancy legally, and as a result terminations have been carried out in the State for a number of years, not only in the medical practitioners' private practices, but also in Government hospitals.

The problem has been that because of the confusing situation created by the archaic provisions in the Criminal Code and the harsh penalties applicable, many women have been afraid to approach doctors for a termination of a pregnancy, or

they have been refused one. Therefore repeal of this obnoxious Statute law must eventually come as it has in other places.

Only on Tuesday of this week I saw in the *Daily News* an article about abortion reform in France. Women all over the world are revolting against harsh anti-abortion laws and are having a great deal of success in having the laws changed. Reform must come in this State. Society has no right to force a woman to bear an unplanned and unwanted child. Not only does she suffer, but it so often has disastrous results for the child itself. Unwanted children often become unloved children, and unloved, neglected children so often develop into unhappy maladjusted adults. I do not intend to deal in detail with the question tonight; I mention it only for the purpose of strongly condemning the action taken on some vindictive complaints about people I believe felt they were acting within the law and were providing help to women who desperately needed it. The suggestion that the women who had terminations may be questioned and dragged into the whole exercise is monstrous.

Many reasons exist for a woman falling pregnant against her wishes, and these include failure of contraceptives, rape, or plain ignorance; and this leads me to the next matter I wish to raise; that is, sex education.

I am aware that some *ad hoc* attempts are made by various bodies in this State to provide sex education, but they are obviously grossly inadequate. Sexuality is one of the most powerful elements or forces in human relationships, and yet, it is practically ignored in the education of people on how to cope with it. It is time we dispensed with the hypocrisy and double standards surrounding this question.

There is ample evidence to show the disastrous effects ignorance of sexuality and human relationships has on the lives not only of young people, but also of adults. For example, one of the greatest contributors to unwanted pregnancies, particularly in teenage girls, is ignorance; and it may surprise members as it surprised me recently in discussions I had with people in the medical profession, to learn that some girls do not know what the word "contraception" means. I found this incredible, but I was assured it was true.

Is it any wonder the ex-nuptial birth rate has more than doubled in the last 15 years. In 1958 the number of ex-nuptial births, as a percentage of the total live births, was 5.1, while last year it was 12.7.

Someone might query whether there was not just as much ignorance of sex in 1958. I might agree, but the point is that society's attitudes to sex are changing, as reflected in the type of advertising and films we see today. The problem is that

there has not been a corresponding increase in knowledge of sexual relationships to allow young people of today to cope with the new situation.

The results are also seen in the increasing incidence of VD. The annual report of the Commissioner of Public Health, tabled recently in the Chamber, contained the statement that control of VD continues to be one of the most serious problems facing the department, and that numbers of notifications and attendances at clinics continue to increase.

We have also seen an increase in the incidence of rape and, more horrifying, pack rape. I do not intend to deal with the results of research into what produces a rapist, but I suggest it is one symptom of a society which is not very healthy mentally.

Apart from the other things I have mentioned, there are many people who are leading miserable lives because of all kinds of psychosexual problems. I believe the time is long overdue for a determined effort to be made through the education system to mould healthy human relationships in an endeavour to provide young people with a respect for others as human beings and respect for themselves. We teach them who discovered Australia, and how to handle involved mathematical problems, but we do not teach them how to discover themselves or how to handle people's problems. We must cultivate the development of a responsible attitude towards sexuality in which people are not exploited as sexual objects and in which sensitivity, respect, and honesty towards each other are encouraged.

The Community Development Centre of the Mental Health Services has access to all the professional expertise necessary to undertake a training scheme for the various groups in the community who have a role to play in this area. I refer to medical students, trainee teachers, social workers, psychology students, nursing trainees, and parents and citizens' groups.

So I request the Government to give serious consideration to the establishment at that centre of a special section devoted entirely to educating the educators in the community on how to disseminate in schools and in the community healthy attitudes on human sexuality and human relationships.

THE HON. R. F. CLAUGHTON (North Metropolitan) [1.12 a.m.]: First of all I must express my strong indignation about what took place earlier this evening when a private member's Bill I had on the notice paper was adjourned, thus depriving members here of the opportunity to express their opinion on this important matter.

It seems to me that this action simply denigrated and belittled this Chamber since it appears the action was taken because of something which occurred in

another place. It might very well be that what took place there is quite satisfactory, but that is not this Chamber and I think we have a perfect right to express ourselves here on the matters we have before us, and to make our decisions on them.

I would think that this procedure was unique when a private member's Bill was treated in such a cavalier fashion, and I hope that it does not set a precedent for future occasions. There is no reason at all why that Bill could not have been debated in this Chamber, thus giving the opportunity to members to express themselves on it.

Several members took the opportunity to visit and examine the area in question at Reabold Park and all those members have now been denied at this time an opportunity to express their views about it. This was quite unnecessary and unjustifiable action on the part of the Minister for Justice, and I hope that he regrets what he has done and feels that on second thoughts he would have taken a different course of action.

I think I should also point out that the matter in another place was dealt with on the 13th November and there has been ample time since then for my private member's Bill to be dealt with in this Chamber instead of being tossed out on this last day of sitting.

The Hon. S. J. Dellar: Quite right, too!

The Hon. R. F. CLAUGHTON: Once again we are faced with the situation where we are debating important matters at late hours after long hours of sitting. We again have the situation where new legislation has been thrust upon us without a reasonable opportunity to examine it. The Hon. Grace Vaughan was criticised for not dealing fully with a piece of legislation, but no recognition has been made of the fact that she did not really have reasonable time in which to prepare a well-researched argument.

I know this complaint is common at this time in every session, and no matter which Government is in office we always seem to reach the same situation. However, there seems to be little reason why we could not have risen tonight and continued the debate under less trying circumstances tomorrow.

Like Miss Elliott, I was very concerned about the action taken by the police in connection with the Abortion Information Service. It was an extraordinary way to deal with the matter—to have a squad of 30 descend upon these people all at one time in what was apparently a well-planned raid upon them in response to what must have been a rather frivolous complaint. I would have thought what was called for was a quieter and more responsible approach.

Some objection seems to have been taken by the police to the fact that these people had the temerity to advertise their

service. If one is trying to reach out to people who one believes need a special service, it is of no use hiding it away in the hope that those people will hear about it. The obvious thing to do is to advertise in the Press to let them know where the service may be obtained.

The organisation concerned made all the inquiries it could to find out whether it was operating within the law, and I imagine it would not have been difficult for the Minister or even the person in charge of the police to ascertain that aspect of it without conducting the rather frightening campaign to which these people were subjected when such a big squad from the Police Force descended upon them.

The Hon. G. E. Masters: They were breaking the law, were they not?

The Hon. R. F. CLAUGHTON: I do not know about that. No charges have been laid. No case has been brought to court, has it?

The Hon. G. E. Masters: I do not know.

The Hon. R. F. CLAUGHTON: The honourable member made the statement that they were breaking the law. I hope people are still innocent until proved guilty.

The Hon. G. E. Masters: If the police considered they were breaking the law they were justified in taking that action.

The Hon. R. F. CLAUGHTON: This organisation had taken whatever steps it could to ascertain from the responsible authorities what would and would not be within the law. Having found that out, it acted accordingly. It would not have been very difficult for the police authorities to make an inquiry which would bring that information to light. Instead, this type of action was inflicted upon quite innocent and responsible persons who are respected medical practitioners. The action taken was quite unnecessary, and was taken in response to what could only have been a very frivolous or petty complaint.

I imagine many complaints are made to the police about all sorts of things, but I suggest the majority of them do not result in this sort of action. In fact, as members of Parliament, we all receive complaints from persons who have actually suffered some injury and have found it very difficult to interest the police in their complaints, although a genuine wrong has been done to them. I think the whole affair has rather besmirched the image of the Police Force. One would hope the Minister will take some action to ensure the people responsible are informed of what their duties more properly should be.

Had a genuine crime been committed, one would expect such action as was taken, but knowing these people, and knowing that they know what the consequences of an illegal action could be for them, I am

certain in my own mind that there was very little reason for genuine complaint. The main objection seems to have been that they had the temerity to advertise this voluntary service to people who find themselves placed in very difficult circumstances. I know from my association with these organisations that the people seeking help often get a very unsympathetic response from some medical practitioners. In other cases they do not want to visit their normal medical practitioner because it is a personal problem which they would rather take to a sympathetic stranger than to someone who knows them.

During the session I have asked a number of questions on a number of matters, and it is unfortunate that in many cases very unsatisfactory answers have been given which appeared to be attempts to avoid conveying the information asked for. The questions I asked in relation to the police raid on the Abortion Information Service are one very clear example. The question I asked on the 27th November was—

- (1) Who ordered the police visits?
- (2) Who was the person responsible

The answer was—

The visits were made during the normal course of inquiries into complaints.

That is hardly information as to who the person was, and I had to ask a supplementary question to ascertain the name of the person who was in authority and actually gave the orders. That is one of the clearest examples of the kind of thing I complain about. The Government tends to want to hug information to itself and be secretive about things; and I suppose on its record there is a great deal it wants to hide.

One of the matters I have pursued for a long time is the development in Subiaco. It is a matter I have taken up unwillingly as I have more than enough to occupy me in my own electorate without intruding into Subiaco. However, the matter was constantly brought to my attention and I found it very difficult to resist asking further questions.

I have in front of me a heap of papers which have been collected during this session, and probably the most significant of them was the report of the Environmental Protection Authority on the development of Lot 160, Onslow Road. I felt the report was significant and I am really sorry that more publicity was not given to it; but we are at the mercy of the Press in these matters.

The report is significant because I believe it is the first time this authority has been asked to examine a town planning matter and the effect of development within an area on the environment of

that area. The result of the investigations was that the proposed development on the site would be damaging to the environment because of the increased activity which would take place within a residential district.

I think members should be reminded that this same area has frequently cropped up in my questions and in the remarks I have made in this Chamber, because of the flow of traffic through what should be a quiet and pleasant residential section set around Shenton Park lake. It is a very pleasant area and the development of it is a credit to the local council. The Subiaco civic gardens themselves are a credit to the local authority, and it is a pity the council does not take an interest in the environment by controlling the traffic which passes through it making life unpleasant for the people who live there.

Herbert Road is one that is most affected. It is rather incredible in a way that after so many complaints about the traffic in Subiaco—in fact, there was quite a show put on in this House about the development of the Perth Medical Centre and the effect it would have on the surrounding environment—we find a sign has been placed on the corner of Herbert Road and Nicholson Road indicating the Perth Medical Centre can be reached along Herbert Road. What an incredible piece of bureaucratic vandalism! I would say that probably the Main Roads Department is responsible.

The Hon. N. McNeill: When did the sign go up?

The Hon. R. F. CLAUGHTON: I am not too sure; it has been there for some time.

The Hon. N. McNeill: I think it may have been put there last year.

The Hon. R. F. CLAUGHTON: I thought it may have been this year, but it was not very long ago. Surely the logical way for traffic to go would be down Nicholson Road to Rokeby Road and May Drive. In this way, only Nicholson Road would be disturbed and that in itself carries a fair amount of traffic.

Herbert Road runs alongside Shenton Park lake and every year the tortoises move across the road. I remember quoting in the House that something of the order of 3 000 vehicles a day used this street in peak hours and these tortoises represent a hazard when they move. A suggestion was made—in my mind a very sensible suggestion—that during this period traffic should be barred and diverted elsewhere. If the council was worth its salt, it would have done this long ago.

As the Minister knows, the history of this matter is quite long. I spoke on the matter during an adjournment debate, and I was told it would be referred to the local authority. However, nothing seemed to happen so I asked a question on the matter, but again, nothing seemed to

happen. Then I received a letter from the Minister for Conservation and Environment informing me that the matter was too small for the EPA to involve itself in.

I find that to be quite an incredible situation; the matter is to be left to the local authority. The Minister has really put the EPA in its place. The Environmental Protection Act makes quite a feature of this section covering town planning and sets out how it can be enforced.

Where there is a clear indication that a development was wrong for an area, the Minister is almost obliged to ensure that the recommendation of the EPA is carried out to the letter and not left to a local authority whose history in a particular matter was quite appalling. I refer, of course, to the assurance received in 1968 or 1969 by residents of Subiaco that there would be no commercial development in their area. This assurance was given to them in writing after they had made a fuss about proposals to extend a warehouse and had approached the council on the matter. However, some four years later, they find that the council has changed its mind and claims that, as it has given a verbal promise to the owner of the warehouse, it must abide by it.

The Hon. G. E. Masters: Was it just a verbal promise?

The Hon. R. F. CLAUGHTON: Yes, as I understand it nothing was written down. However, the residents have a written promise that no further development would take place. These people who live in the area and who will suffer for a long time in the future should the warehouse extensions go ahead are being ignored by the council for the sake of the owner of the warehouse and the verbal promise he was given. If the council feels a sense of obligation, it should make compensation arrangements. I understand that the EPA produced a report suggesting that this sort of development should not take place in the area, but it was ignored.

The Hon. G. E. Masters: Do the residents have the right of appeal to the Minister or does it rest with the local authority?

The Hon. R. F. CLAUGHTON: This matter dates back to 1968; I have in my hand the amount of correspondence which has taken place only since the beginning of this session of Parliament. Appeals have been made, but have brought no positive results. I do not blame the Minister, because this was going on during the term of the previous Government. I mentioned that the EPA had produced a report relating to this type of development in the area. I believe it will be the last report it will make on this subject and that it has been told to keep its nose out of town planning matters. I would hope that is not so but I am afraid I may be correct.

The EPA held a meeting on the 10th September to consider the report and it was on the basis of that meeting the Min-

ister said the matter was too trivial for the EPA and should be left to the local authority. During the week, I asked for the papers to be tabled so that I could see what advice the Minister received, but apparently I must go to the EPA office and study the minutes of the meeting. This I certainly will do as soon as I can get away from this place.

I refer now to education, particularly to proposed changes to the system and the Government's unfortunate pre-primary proposal. I notice in the Estimates that the funding for pre-school education this year is almost exactly the same as for last year. I do not know how the Government plans to cope with the expansion that must take place and must continue to take place in pre-schools unless it has sources of finance it has not revealed. However, as this matter has been discussed at length this week I will not weary the House by discussing it further now.

A serious problem has arisen in my electorate and is also being experienced elsewhere, particularly in the expanding new suburbs, with the consequent pressures on school accommodation in those areas. Earlier in the session, I asked a question relating to Balcatta high school and the Minister's answer indicated that there was no need to be concerned about this matter. However, in recent weeks, we have seen it blow up in the Government's face, because the children at Carine high school will suffer unsatisfactory accommodation well into next year.

This situation should not have occurred and I am rather disturbed that the previous Government has been getting the blame for it. I do not know who has put the story around, nor do I know where it came from; however, I did hear it said by some people who should have known better that the previous Government was at fault.

On the 20th November I asked the Minister for Education a question as follows—

- (1) Has the construction of any school been delayed because of a delay in the provision of plans and specifications by the Public Works Department that occurred before the 1st April, 1974?
- (2) If so, will the Minister name the schools?

The Minister replied—

- (1) and (2) No. The programme for 1974-75 was only being documented at that stage. Plans and specifications are organised by the Public Works Department following the receipt of the necessary documents.

I turn to other statements that have been made. For instance, in *The West Australian* of the 14th June a report relating to a statement made by the Premier on the school building programme appeared.

He said that Western Australia had used outside consultants, including some of the outstanding professional brains in Australia; and that any lag in the building programme was due to industrial strife and low productivity.

This is not a statement I would have expected the Premier to make in relation to the school building programme. I do not know to what field he was referring when he talked about industrial strife and low productivity. Did the company at Midland which was not producing sufficient bricks cause industrial strife and low productivity? Certainly that had nothing to do with the Tonkin Labor Government.

Regarding the Carine High School, after a meeting had been held there and reports on various proposals had been put forward, I asked the Minister for Education a question on the 21st November as follows—

In view of the serious problems being experienced by the Carine high school in accommodating its expected enrolment for 1975, what further action is the Government contemplating to resolve these problems?

The Minister gave me an answer listing the matters that had been reported in the Press. I do not know whether it was a sheer evasion of my question, or whether the Minister had no other ideas at all. His answer was—

Every endeavour is being made to provide for a smooth opening of the 1975 school year at the Carine High School. Investigations are being made into the possibilities of—

- (a) the use of accommodation in other schools;
- (b) the provision of demountable rooms;
- (c) arranging the school timetable for staggered sessions.

That was the only solution he was able to arrive at.

It was suggested to the Government that the construction of the next stage of Carine High School be left until later in the year and that the work on documentation, plans, and specifications should proceed immediately. The funds set aside in this financial year for Carine High School is \$65 000. That is all the Government intends to spend on the school.

The situation had reached serious proportions in respect of Carine High School, but a greater difficulty confronted Balcatta High School where 14 demountable classrooms have been provided. The enrolments have increased to approximately 1500, but the school was designed to accommodate between 1000 and 1200 children. The same facilities will be used by the greater number of children—the same library, laboratory, canteen, and toilets. This creates a problem in the administration of the school. It would work out well if the school was designed

to accommodate a maximum of 1500 children but there was an enrolment of only 1200.

The teachers of Balcatta High School went to the length of writing letters to the Press. At the time they thought one extra demountable classroom would be provided. Subsequently the Minister visited the school, and now he has agreed to provide three extra demountables. However, these will not provide the solution they are seeking. They were looking for the construction of a high school at Greenwood to relieve the pressure on Balcatta High School, and possibly Carine High School, depending on the enrolment boundaries. In this respect we see a dismal record of performance by the Government in just one area of education.

I have received several letters which are relevant to the subject matter I am raising. The first is from the P & C Association of Doubleview, North Innaloo, Scarborough, and Woodlands dated the 26th November. It is as follows—

Dear Mr. Cloughton,

You will be aware of the current crisis in the Schools' Building Programme, of which the situation at Carine High School is a prime example.

The Western Australian Council of State School Organisations is pressing for an urgent open enquiry into this matter because we of the Council feel that this offers the best and quickest means of ascertaining why there is a crisis and what can be done to overcome it. Anything less than an open enquiry may well miss, or pass over, information that may prove vital to overcoming this alarming situation.

Your support of our action is sought, please, because adequate education of the children of this State is a community concern and as our elected representative we look to you to look after the interests of the community.

I take this opportunity to voice the concern of those people to the Government. In various statements they have indicated that they have carried out sufficient inquiry.

A question was asked in another place by the member for Kalgoorlie to which the Minister representing the Minister for Education gave the following reply—

No promise was ever made with regard to an open inquiry.

Cabinet has approved a subcommittee to continue the investigation which will result in changes in planning procedures.

This is a serious issue, as is illustrated by the letter I have just read out, and it has been the subject matter of a question asked in another place. I have also received advice from the WA Council of State School Organisations which is marked "Urgent".

I wish to read it in total so that it will be recorded. This relates to the school building programme—

Ref: School Building Program

All Councillors will be aware of events which have transpired since the State Council meeting.

In Summary:

Our action resulted in the Minister for Education instituting an inquiry into the breakdown of the program (announced Friday 15th). This announcement gave all of us a feeling of achievement, a feeling that at last we may get to grips with the underlying problems.

The full resources of the office were concentrated on gathering information for presentation to the Minister (these efforts were at the expense of other activities). Advice was given to the Minister's office that the Council would co-operate to the fullest extent.

Then without warning, the Minister announced (*Daily News* 19th) —“As far as I am concerned, the building inquiry has been completed.”

This was qualified the next morning (20th) in *The West Australian* by the Minister saying “that a top-level inquiry into the school building program was continuing. But the inquiry to determine the blame for delays in building had finished.”

How the two facets can be divorced is difficult to comprehend.

On the Tuesday night (19th) I went to Parliament House and arranged for a number of questions to be asked on the 20th.

These questions were designed to establish whether the Minister would institute a top-level OPEN inquiry (which is what had been originally requested) and to ensure that this Council (and others) would be able to present evidence and opinion.

The replies to these questions leave little doubt that the inquiry will be restricted, it will not be open in the true sense (I believe it has been passed to a Cabinet Sub-Committee!).

Therefore a great deal of pressure needs to be applied, not only at this end but at the local level.

Your job, as I see it, is to make urgent contact with your local members (both Houses) and encourage your people to do likewise.

Press for a TOP-LEVEL INQUIRY to which the Council and other responsible groups can submit evidence and opinion.

Please, don't put this off, ring/write/meet your Members urgently.

If we fail in this stand the children lose, WACSSO credibility suffers and all the effort will have been futile.

P.S.

The ball is now in your court, what about some action!

P.P.S.

At the time of writing (1.00 p.m. 21st) neither the Premier nor the Minister have replied to or even acknowledged our telegrams sent on the 14th and 20th!

P.P.P.S.

I still want details of building problems which have occurred within the last 12 months whether this be delayed construction, lack of maintenance etc.,—URGENT.

That advice is dated the 24th November.

I have a photostat of a report which appeared in *The West Australian* of the 20th November under the heading of, “Schools works plans reviewed”. It seems quite apparent there is real concern of what may be happening. This is in my electorate, but the concern has been growing. I know that concern is also felt in the area just north of my electorate.

I would urge the Government to do more than has been indicated. I urge that it hold an open inquiry and invite people to air their problems, and the problems associated with their families so that the Government will have a better understanding of the position. This is a matter which concerns the children.

I will leave that subject and make brief reference to another matter to indicate a problem which this Government is causing with regard to education. I received a letter from the Minister in response to one I wrote to him conveying the concern of some teachers who had contacted me. It is unfortunate that the Minister seems to have completely misunderstood what was written in the letter.

The Hon. A. A. Lewis: If it was anything like your speeches he would have no alternative.

The Hon. R. F. CLAUGHTON: Mr Lewis can get up after me and I am sure he will have something personal to say.

The Hon. A. A. Lewis: Do not be silly.

The Hon. R. F. CLAUGHTON: The letter I wrote to the Minister concerned a change which recently took place regarding the three-year training status of teachers. A few years ago all teachers, in the main, went through a two-year training course but now they go through a three-year training course. This has meant that those who received two-year training, and who have had long experience, have found themselves in an inferior position relative to some of the more recently

trained teachers who were on a higher status and on a higher salary even after serving only for a few years.

An attempt was made to rectify the position by granting a three-year status to two-year trained teachers with ten years' experience. However, that raised a further problem with regard to those teachers who had been undertaking, on their own initiative, extra studies to improve their teaching qualifications and their promotional opportunities. Those teachers who were undertaking higher certificate studies, and who had not completed them, were placed in the position where the studies would no longer count and they would have to start all over again.

One of the first people to contact me had spent all of this year studying two units on which she was shortly to have an examination. She was in a quandary as to whether she should complete the course and undertake the examinations, or stop studying and concentrate on teaching and have a little time for relaxation. I set out the details in a brief letter to the Minister and since I was not the only person making this sort of representation I thought he would have had no trouble in getting the message. However, the Minister concluded his letter to me by saying—

I regret you have been requested to intervene by a teacher who has failed to read carefully the conditions which have been laid down or has misled you in regard to what he is required to do in order to gain full professional status.

I would have thought that a man with Mr MacKinnon's experience would have known better than to make that sort of statement. I have sent a copy of the letter to the people who made representations to me because they expected me to do something.

The Hon. A. A. Lewis: Did you read the conditions, as well?

The Hon. R. F. CLAUGHTON: I have quoted the answer I received and I can well imagine the opinion these people will have of the Minister.

The Hon. A. A. Lewis: Did you personally acquaint yourself of the conditions?

The Hon. R. J. L. Williams: Of course not; he is just talking.

The Hon. R. F. CLAUGHTON: Last night I said I thought it was—

The Hon. A. A. Lewis: It was repetition.

The Hon. R. F. CLAUGHTON: —unbecoming for personal remarks to be made in this Chamber. I did remark privately, outside the Chamber, that the use of personal remarks about other members is only an excuse for using an irrational argument.

The Hon. A. A. Lewis: Would you answer my question?

The Hon. R. F. CLAUGHTON: I prefer to ignore the member who is interjecting.

The Hon. A. A. Lewis: Because you cannot answer.

The Hon. R. F. CLAUGHTON: When Mr Lewis is able to offer a sensible argument, which has some substance and is worthy of attention, I will certainly listen to it.

The Hon. A. A. Lewis: Have you acquainted yourself with the conditions?

The Hon. R. F. CLAUGHTON: I will now leave the matter of education.

The Hon. A. A. Lewis: You are quite prepared to attack the Minister, but not prepared to answer whether you have acquainted yourself with the conditions?

The ACTING PRESIDENT (the Hon. Clive Griffiths): Order! Will the honourable member get on with his speech.

The Hon. R. F. CLAUGHTON: I regret having to take this time at this hour of the session but it is unfortunate that we are forced into this sort of position. It is not my fault that I am having to speak at this late hour.

The Hon. N. McNeill: You are the one who is talking.

The Hon. R. F. CLAUGHTON: I know from earlier experience Mr McNeill's views of this Chamber.

The Hon. N. McNeill: And I happen to know also of your view of this Chamber, so don't come at that with me.

The Hon. R. F. CLAUGHTON: I am talking about the Minister's treatment of a private member's Bill.

The Hon. N. McNeill: And you know what I am talking about, also.

The ACTING PRESIDENT (the Hon. Clive Griffiths): Order!

The Hon. N. McNeill: Do not talk to us about courtesies in this House.

The Hon. R. F. CLAUGHTON: I do not mind the Minister letting the Chamber know of the instance he is talking about because all we have now is an innuendo; we do not know.

The Hon. W. R. Withers: You know all right.

The ACTING PRESIDENT (the Hon. Clive Griffiths): I would ask the honourable member to get on with his speech to this Bill.

The Hon. R. F. CLAUGHTON: I would be delighted to do so, but we have this continual repetition of personal remarks which is an excuse for argument to go on in this Chamber. It does members no good and simply denigrates this Chamber.

The Hon. W. R. Withers: For goodness sake, get on with it.

The Hon. R. F. CLAUGHTON: I can well understand that what I am saying worries the Government.

The Hon. A. A. Lewis: No, it does not.

The Hon. R. F. CLAUGHTON: The Government deserves to be criticised in this regard. For instance, in August I asked the Minister whether it was intended to upgrade the library facilities at the Narrogin high school. In reply he said a new library block had been constructed at Narrogin in 1973. However, I knew that and I did not have to ask a question to receive that answer. I was asking whether, in 1974, he would look at the problem because I knew a problem existed. All the Minister said was that the Tonkin Government had built a library in 1973, but that had nothing to do with my question. Again, it was a case of sheer evasion of what was intended.

I can give a further instance of the lack of respect received from the Government.

The Hon. A. A. Lewis: If the school was extended in 1973 it could not expect to be extended again in 1974.

The Hon. R. F. CLAUGHTON: With his loud voice I am sure the honourable member will be able to deliver a very important speech when he gets on his feet.

The Government made a statement concerning what it would do to assist children in country areas. However, all it did was to increase the subsidy payable to hostels and that amounted to the magnificent sum of \$74 000.

I could refer to the assistance which the Australian Government is giving. For instance, I will refer to the transceivers which are being supplied to outback areas, and which will be of tremendous value to children in those areas.

The Hon. W. R. Withers: What do you mean when you say the transceivers were supplied? Do you mean the Commonwealth Government was giving them free to people in remote areas?

The Hon. R. F. CLAUGHTON: Again, the honourable member who is interjecting is not able to get on his feet and tell the Chamber precisely what his Government has done.

The Hon. A. A. Lewis: You continue to make misleading statements.

The ACTING PRESIDENT (the Hon. Clive Griffiths): Order!

The Hon. R. F. CLAUGHTON: I will read the Press release from the office of the Minister for Education dated the 10th December, 1973. It is headed, "Financial Assistance for Replacement of School of the Air Transceivers", and reads as follows—

The Australian Government will provide financial assistance for the

replacement of radio transceivers used in the education of isolated children.

The Acting Minister for Education, Mr Lionel Bowen, announced this today.

Radio transceiver sets currently used for School of the Air purposes will have to be replaced. Mr Bowen said Australia was bound by an International Telecommunications Union agreement to change fixed-service high-frequency radio transmissions from the double side-band mode (D.S.B.) to single side-band (S.S.B.) by the end of 1977. This would improve transmission and reception and reduce interference.

The previous Government had decided it would meet the entire cost of converting the twelve base transmitting stations of the School of the Air services to the new mode of transmission, and this had now been completed. The present Government has allocated a further \$300 000 over three years to replace D.S.B. sets currently licensed for School of the Air use.

The Hon. W. R. Withers: But they will not be supplied free to the people who have to use them.

The Hon. R. F. CLAUGHTON: I am not responsible for how the member opposite interprets what I say. He is able to interpret what I say in any way he wishes.

The Hon. A. A. Lewis: That is a typical Federal Government Press statement; a lot of words and no action.

The Hon. R. F. CLAUGHTON: My statements are based on the information I have here. I will complete the paragraph as follows—

Assistance which has been offered to State Education Departments for this purpose was expected to take the form of payment to existing authorities which lease transceivers to parents for School of the Air use.

There was also the question of allowances which students at teachers' colleges received. A submission was made to the Government. I am now talking about living-away-from-home allowances. Many of the students concerned are from country areas and they have a job to make ends meet on the existing allowance. I ask the Government if the allowance could be increased. The Government said it would not do it.

I would like to dwell on a few other matters, but I will not do so because of the hour. Again I express my regret about the situation forced on us. It suits the Government, of course, to have these speeches to the Appropriation Bills reduced by keeping the House to this late hour.

The Hon. V. J. Ferry: You are keeping the House.

The Hon. N. McNeill: We have tomorrow and next week if you like.

The Hon. A. A. Lewis: We will adjourn until Tuesday.

The Hon. R. F. CLAUGHTON: It is startling, and rather tragic to think we should get comments like this from Government members. This is the place to comment on legislation, and the place to criticise the Government. Government members then have an opportunity to answer the criticism. Mr Ferry's remarks again emphasised—

The Hon. V. J. Ferry: That you are keeping the House.

The Hon. R. F. CLAUGHTON: —the regard he and other members of his party have for Parliament, and in particular this Chamber. The record of the Government so far is dismal. Things have not quite fallen apart, but they are shaky around the edges. For the benefit of our State we can only hope that the Government will improve. It will have to do a lot better than it is doing at the moment.

THE HON. N. McNEILL (Lower West—Minister for Justice) [2.17 a.m.]: Once again the debate to this Bill—I suppose this is quite proper—covered a considerable number of subjects. I do not think it is necessary for me—

The Hon. R. F. Cloughton: I will accept written replies to the matters I have raised.

The Hon. N. McNEILL: Mr Cloughton is ahead of me. Of course, it will not be possible for me to answer many of the queries raised by members opposite during this debate. However, I indicate that the speeches will be looked at and, to the extent it is possible, answers will be given. I give that undertaking, and I believe it is the more appropriate way to handle the queries.

Once again the Opposition said that we have continually harped on the inefficiencies, inadequacies, and general incompetence of the Commonwealth Government. It is no less apparent, of course, that the Opposition has constantly harped on its theme that the State Government has failed to achieve any of its election promises and that it has done nothing—with the one exception as readily conceded by the Opposition, that it has put up charges and increased the taxation burden. Apparently this session must have passed quite unnoticed by Opposition members if they are not prepared to attach any credit to the actions that have been taken, and particularly the legislative actions.

I would like members to reflect on the Bills that have been presented this session, bearing in mind that the Govern-

ment has been in office only since April; a matter of less than eight months. At this time I will confine my remarks to our legislative programme and I say that our record is not bad at all. A number of Bills have been presented here, although I do not think there is any magic in the actual number or that any significance can be attached to that. I subscribe to the other view that a measure of Government might well be not the number of Bills which it found necessary to introduce, but rather the reverse.

The Hon. R. Thompson: I would subscribe to that view.

The Hon. N. McNEILL: Nevertheless, I believe I ought to refer in the circumstances to some parts of our legislative programme. Despite what Opposition members have said, the Government immediately got on with the implementation of its policy. The Opposition claims it has some monopoly or prerogative in regard to the alleviation of hardship and distress covering a very wide spectrum. It is necessary to remind members of some of the legislation introduced by the Government.

The Hon. R. Thompson: It might be good to remind some of your members. I think we know what has been in every Bill that has been before the House.

The Hon. N. McNEILL: I still feel it is necessary to refer to these measures. The Leader of the Opposition spoke about the lack of action on the part of the Government. I will read a list of some of these measures as a reminder. Bills introduced under my own portfolio provided for the acceptance of evidence on commission; waiving defendants' costs in certain official prosecutions; resolving hire-purchase problems; fuel emergency provisions; distressed persons relief; convicted inebriates' rehabilitation; the establishment of the Alcohol and Drug Authority; superannuation and family benefits; the small claims tribunal, together with alleviation of death duties in certain circumstances and finally the all-encompassing alleviation in domestic water rating throughout rural areas.

The Hon. R. Thompson: What a concession! You put the rate up!

The Hon. N. McNEILL: As part of our policy we passed the Road Traffic Act.

The Hon. D. K. Dans: Oh, boy, I wouldn't mention that one.

The Hon. V. J. Ferry: It was in our policy.

The Hon. D. K. Dans: Read it alongside your policy. I would hang my head in shame about that.

The Hon. N. McNEILL: This was a major item in our policy.

The Hon. D. K. Dans: A complete somersault.

The Hon. N. McNEILL: We have heard the frequent comment that the Government has done nothing for rural areas and agricultural communities. We have been challenged to produce some evidence of this. Our legislation in this area, once again, was not a bad achievement for our first eight months. Bills were passed in respect of wheat stabilization, marketing and quotas, all matters for which the Commonwealth Government cannot take a great deal of credit. Other legislation referred to bulk handling; plant diseases and noxious weed eradication; animal diseases and compensation; the beef industry—which we dealt with this evening; fish farming; war service land settlement perpetual lease procedures; marketing of potatoes; soil conservation; shearers' accommodation; control of jarrah dieback, and financial assistance to decentralised industry. Once again, not a bad record.

Industrial development gained impetus. New and amended agreements include those dealing with the nickel refinery, Western Mining; an alumina refinery; Lake Lefroy; Dampier Solar Salt; Nickel Agnew; the proposals to consolidate the Wundowie enterprise, and encouragement to the projected phosphate co-operative for Merredin.

Industry safety was the subject of several important measures, such as explosives and dangerous goods, mines regulations, and machinery safety.

The Opposition has taken upon itself throughout this session the role of carping about education, another area of major policy.

The Hon. D. K. Dans: You will face up to that one next year.

The Hon. N. McNEILL: Our comprehensive education programme received its initial legislative approval with the passing of the pre-school education legislation; the education Act amendments, and the expansion of teacher education institutes.

Needless to say—and this legislation was not a matter of policy; in fact it is a hardy perennial—we again amended the Local Government Act. Other measures, once again under my own portfolio, were passed. This included matters affecting the sale of land, registration of deeds, money lenders, and the Supreme Court; all important pieces of legislation, contributing to a not unimpressive list.

The Hon. D. K. Dans: What about daylight saving which seven of your 12 Ministers voted against? You went to the people on this one. Why don't you mention it?

The Hon. N. McNEILL: Well, Mr Dans has mentioned it for me. My list was not intended to be all-inclusive. If Mr Dans thinks it will embarrass me in any

way to raise this subject, I am sure he must be disappointed. I do not think it is embarrassing.

The Hon. D. K. Dans: I do not think it is embarrassing, but you will be known as the corkscrew Government.

The Hon. D. W. Cooley: Flexible!

The Hon. D. K. Dans: Or flexible, as Mr Lewis branded the Government.

The Hon. N. McNEILL: As a matter of fact, I think it was Mr Dellar who used this word.

The Hon. S. J. Dellar: Very flexible, up and down all over the place.

The Hon. N. McNEILL: It is not my intention to undertake a wide review of the situation. I would like to convey my appreciation of the fact that the Opposition has accepted this measure. I see no reason for further delay; I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Third Reading

Bill read a third time, on motion by the Hon. N. McNeill (Minister for Justice), and passed.

AGRICULTURAL PRODUCTS ACT AMENDMENT BILL

Assembly's Message

Message from the Assembly received and read notifying that it had agreed to the amendment made by the Council.

Sitting suspended from 2.33 to 3.30 a.m.

BILLS (3): RETURNED

1. Teacher Education Act Amendment Bill (No. 2).
2. The Perpetual Executors Trustees and Agency Company (W.A.) Limited Act Amendment Bill.
3. The West Australian Trustee Executor and Agency Company Limited Act Amendment Bill.

Bills returned from the Assembly without amendment.

ADJOURNMENT OF THE HOUSE: SPECIAL

Complimentary Remarks

THE HON. N. McNEILL (Lower West—Minister for Justice) [3.30 a.m.]: I move—

That the House at its rising adjourn until a date to be fixed by the President.

Mr President, this is rather an important moment for me as the Leader of the House at the conclusion of a session. I would like to express my very sincere appreciation to you, and to all members of the

House, for the manner in which the session has been conducted. I appreciate very much the co-operation that I and the Government have had from members throughout the session.

Members may recall in my remarks at the commencement of the session I indicated it was my wish to co-operate to the greatest extent possible. I am pleased now to be able to express my appreciation in this regard.

The session has not been a terribly exciting one, certainly not as exciting as some I have known in this House. However, we have accomplished a great deal. We have handled 89 Bills this session, and I believe that is a fairly reasonable achievement. Needless to say, this legislation would not have been dealt with expeditiously without the co-operation we received. I would like to convey my particular gratitude to the Leader of the Opposition for his co-operation. On a number of occasions the Opposition was agreeable to proceed with legislation rather than adjourn it as we usually do. This attitude has been welcomed by the House.

Except in one or two instances, the business of the House has not been very exciting. As has been noted by members, certain Bills attracted a great deal of attention from members and others, and this contributed to a certain atmosphere at times. However, all in all I believe the House has functioned very well.

I would like to convey, Sir, in your first session as President of this Chamber, my appreciation to you on behalf of my Ministers and Government members. I am sure that you have derived great satisfaction from your new experience. Your manner of conducting the House has been well and truly appreciated by members. We also noted your difficulty on some occasions to restrain yourself from participating in the debate after your many years on the floor of the House. You have done very well, in the light of that background.

In the same context I would like to also express my appreciation to the Chairman of Committees (the Hon. J. Heitman) and to all the Deputy Chairmen of Committees for the manner in which they have carried out their duties. So much of the business of the House has gone through satisfactorily and with expedition, and this is due in no small part to the activities of yourself, Sir, the Chairman, and the Deputy Chairmen of Committees.

On such an occasion I would be less than chivalrous if I did not acknowledge, as I may have done at an earlier stage of the session, the fact that we have had a new experience this year when the Hon. Lyla Elliott was appointed a Deputy Chairman of Committees. I can say that undoubtedly she is the best looking Deputy Chairman of Committees we have had.

The Hon. D. K. Dans: Put that to the vote.

The Hon. J. Thompson: We all agree.

The Hon. N. McNEILL: Perhaps this is the reason that more attention was devoted to the Committee work during the periods when Miss Elliott was in the Chair. In all seriousness I am aware that we have created history this year when Miss Elliott was elected and took her place as a Deputy Chairman.

I have already indicated my appreciation for the co-operation of the Leader of the Opposition. Certainly there have been occasions when I thought he may have emulated some of his previous experiences in this House. I know he can talk at great length and with great knowledge on a considerable number of subjects. Fortunately we have been spared that experience in the main. Nevertheless, without question the Opposition in this House plays a most important part. Though small in numbers, I realise the Opposition has carried out its function very well, even if it has not always co-operated when dealing with certain business before the House.

I must acknowledge and thank my ministerial colleagues for their assistance. Mr MacKinnon is interstate on Government business today, and I thank both he and Mr Baxter for their co-operation and their great assistance through the session.

I also wish to thank the Government Whip (the Hon. V. J. Ferry). Both Whips play an important part in ensuring the proper organisation of the House, the attendance of members, and many other things. Mr Ferry is my right-hand man in this House. The way in which he has carried out his duties is very much appreciated.

Indispensable to the Ministers, of course, is the staff which serve us and facilitate the business of the House. I would like to convey my gratitude to the staff for their very great assistance.

On the parliamentary staff we have the person who has always been and continues to be of such tremendous assistance to all of us both inside and outside the Chamber—the Clerk (Mr Roberts)—and the Usher (Mr Ashley); to them, to Mr Hoft, and to all the attendants in the House I extend my sincere appreciation. As in previous years, their duties have been carried out very well and they have been most attentive to the needs of all members.

There is another section of the staff of the House which is indispensable, and whose attentions we have enjoyed on a recent occasion; that is, the Controller and his staff. They have attended to all our needs very well. I am sure I echo the views and sentiments of all members in expressing appreciation to Mr Edmondson and his staff.

The speech I am now making will read far better than it sounds, due to the assistance of the *Hansard* staff. I am sure

It is recognised that this applies to a number of us in this House. I would like to convey appreciation to the Chief Hansard Reporter and his staff. We have certainly imposed some difficulties upon them during this session. We have had many late sittings, and although we might appear not to notice it, I am sure we all appreciate the fact that while we finish our work when the House adjourns the work of the *Hansard* staff continues for some considerable time afterwards. I express my sincere appreciation for their great diligence, and extend my good wishes to them.

There are other people who also form an indispensable part of the whole institution; that is, members of the Press in the Press Gallery. They sit there, not unseen and not unread, if I may use that expression. It is important that they be there to report proceedings of this Chamber because the Parliament is a great public institution and the Press has a very important part to play. I also convey our thanks and appreciation to members of the Press for their attention to their duties and the manner in which they have reported the activities and debates in this Parliament.

There is a group of people of whom we hear a great deal, but with whom we do not have a great deal of contact; that is, the post office staff and the telephonists. I cannot help but make the comment that they always seem to be on the public address system summoning us to our duties; and I might also say they can drag us away from the most obscure places on occasions. When we cannot be found otherwise, the telephone finds us. The telephonists play a very important part in enabling members to attend to their duties, and they also contribute to the proper functioning of the Parliament.

Not only do we have staff inside Parliament, but we also have the group of attendants led by Mr Carrick. They do a tremendous amount of work on our behalf. They are a great credit to Parliament House with their attention to our visitors and guests and attendance on the members of the House, generally. I convey my appreciation to them.

The secretarial staff are also quite indispensable to us. Perhaps we do not always show appreciation of the attention they give us; nevertheless I would like to state on this occasion that their efforts are appreciated. This applies particularly to Miss McKinnon who attends to members and their requirements in regard to questions, which I am sure members regard as one of the most important functions in the House itself.

All in all, without the assistance of this great number of people, we as members of Parliament would not be able to carry out our duties in anywhere near the effective

way I hope we all do, and on such an occasion as this we should spare them a thought and express our appreciation of them.

I thank all members in the House—particularly those on my own side of the House—for their great assistance and loyalty and their contributions to the debates. We all recognise that in politics parties are lost unless they have the loyalty of members, and that is an aspect from which I can derive a great deal of pleasure because the loyalty has been quite unqualified and I am greatly appreciative of it, particularly as this is my first year as Leader of the Government in this House. I thank all members for their efforts and effective contributions to the business which I and my Ministerial colleagues have brought to the Chamber.

There is one person who might be regarded as a member of the Ministerial staff and who probably deserves special mention. I refer to Mr Whitely. He is closely involved with all the legislation and speeches in the House and ensures the business is before us so that the House can continue to operate. My special thanks to him.

We are concluding this session reasonably early prior to the Christmas season, but in the weeks to follow and right through the Christmas period I hope members will enjoy their associations in their electorates and will be able to give due attention to their electorates, at the same time conveying to the public some indication and understanding of what we do in this place. I convey by best wishes to all members.

To you, Mr President, to your good lady, to all the people I have mentioned, and to members and their wives I convey my sincere wishes for a very happy period at Christmas. I hope the Christmas season and the New Year bring all the satisfactions and joys we hope for, and that when Parliament reassembles we will come back here with the knowledge that we have been able to enjoy the spirit of Christmas and that we can contribute something further to the conduct of this Parliament. We will look forward to another good and satisfying session in the New Year.

To you Mr President, and to all members, my best wishes for a very happy Christmas and festive season.

THE HON. E. THOMPSON (South Metropolitan—Leader of the Opposition) (3.51 a.m.): Firstly, I endorse the remarks of the Minister for Justice. Without referring individually to all the persons to whom he referred, I would like to extend our thanks to them, and especially to the Clerks of the Parliament and the officer and staff for the gift we are accustomed

to receive every year at this time; that is, a diary which is greatly appreciated by all members.

I thank the Minister for Justice for his acknowledgment of the co-operation he has received from the Opposition. I point out to him that it is not now necessary for me to make the lengthy speeches I used to make. The co-operation and efficiency of members on this side has made my job a lot easier in that respect. Of course, there is always a successor to a person who makes lengthy speeches, and probably I have a successor.

I sincerely thank my Deputy Leader (the Hon. S. J. Dellar), my Whip (the Hon. D. K. Dans), and other members of the Opposition for the assistance they have given me during the session. It has been a team effort, and a very efficient one at that.

As the Minister for Justice said, this has not been a very interesting session as far as legislation is concerned. We had many Bills before us which were machinery Bills, and many other Bills which were drawn up by the previous Government. We hope the Government can come up with something a little more positive during the autumn session.

I wish you, Mr President, and your good lady a very happy festive season. I wish all members of the Chamber a merry Christmas and a happy New Year, and I extend that greeting to their wives and partners.

Next year of course will be another matter; we always look forward to a parliamentary session. Of course, it is not a pleasure to be in Opposition, and I am aware the Minister for Justice commenced his speech by saying, "It gives me great pleasure . . ." I hope that great pleasure does not extend for longer than three years!

I extend to all my wishes for a very merry Christmas and a happy New Year.

THE HON. N. E. BAXTER (Central—Minister for Health) [3.54 a.m.]: At the end of my 22nd session in this Chamber I stand here in a role different from that I have enjoyed for many years. This takes my memory back a long way. I join with the Minister for Justice (the Hon. N. McNeill) and the Leader of the Opposition (the Hon. R. Thompson) in expressing to you, Mr President, my appreciation of your assistance and of the way you have conducted the House and helped me during my first session as a Minister.

I extend my thanks to all those people mentioned by the Minister for Justice—the staff and everyone else—for everything they have done to help us during the session. We appreciate their work. Perhaps we do not always appear to be very friendly, but we know where we stand with one another.

On behalf of myself and the Cinderella party in this Chamber I express to you, Sir, and to your wife and family, and to all members and their wives and families, my wishes for a very merry Christmas and a happy New Year. I hope you all return next year in the best of health.

THE PRESIDENT (the Hon. A. F. Griffith): Honourable members: I would like to avail myself of this opportunity to join with the Minister for Justice (the Hon. N. McNeill), his ministerial colleague (the Hon. N. E. Baxter), and the Leader of the Opposition (the Hon. R. Thompson), in expressing my thanks to all those people who indeed deserve our thanks. I will not go through the whole list, because that has been very ably done by the Minister for Justice.

However, I would like to extend my special thanks to Mr Roberts and his staff, for whom it is never too much trouble to offer help to me and to every other member of the Chamber. I am sure we are all very grateful to them.

May I also thank the Chairman of Committees (the Hon. J. Heitman), and the Deputy Chairmen for their willing assistance in the conduct of the affairs of this House.

I think I have now witnessed 24 closings of parliamentary sessions. I have been here a long time now, and the time for my retirement may be drawing near.

I thank Mr McNeill, Mr Baxter, and Mr Thompson for their kind remarks, and I express to them and all members my very good wishes. I trust you will have an extremely happy Christmas and that 1975 will bring for you all the things you wish it to bring. God speed, and drive safely; it is later than you think!

Question put and passed.

House adjourned at 3.58 a.m. (Friday).

Legislative Assembly

Thursday, the 28th November, 1974

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

QUESTIONS (71): ON NOTICE

1. UREA AND AGRAN FERTILISERS

Shortage

Mr GREWAR, to the Minister for Agriculture:

- (1) Can he give reasons for the current shortage of urea and agran fertilisers?
- (2) When will these materials become available from local sources?