

Other articles are headed, "Mitchell Cotts into the black", and "ANZ hopeful on chances of recovery", the latter of which goes on to state—

There were further indications of economic recovery in May, despite the continuing serious problems of inflation, unemployment and depressed business activity.

These are some of the headlines appearing in the Australian Press.

The CHAIRMAN: Order! There is too much audible conversation in the Chamber; the *Hansard* reporter is having difficulty in hearing.

Mr FLETCHER: I am sure members can hear me, because I am deliberately speaking above the noise. Another article is headed, "Humes lifts payout after profit rise" and reveals that the company had a 23.8 per cent rise in profit for the year ended the 30th June. An article contained in *The West Australian* of the 1st July, 1975, states—

Market ends year
in better shape

The Australian share market has ended the financial year in a healthier state than it was in 12 months ago.

That is some of the good news. Of course, I could produce some of the bad news.

Mr Sodeman: Is it a healthier state than three years ago?

Mr FLETCHER: The world situation is responsible for the situation in which Australia finds itself; I have evidence of that. A newspaper article of the 11th June states as follows—

BASLE, Tues: The Bank for International Settlements (BIS) said yesterday it foresaw no swift revival in the world economy.

Need I read any further? Australia is a victim of the world situation, and I wish the Premier would occasionally acknowledge that fact. Another article is headed, "Italy facing slump and government crisis". Despite all that, the Federal Labor Prime Minister is riding out this international storm.

Another article is headed, "WA wool will pay dividend of 125 pc." Another article has the headline, "NSW coal miner's profit leaps 628pc". Can the Premier and Treasurer hear that? He pretends to be taking an interest in other matters and not to be listening.

Sir Charles Court: I am listening. I am merely trying to establish what this has to do with the division before the Committee.

Mr FLETCHER: I am making known to the Premier that the economy is not as sick as he would like Australia, and particularly Western Australia, to believe.

Sir Charles Court: With all due respect, what you are saying is related to the general Estimates.

Mr FLETCHER: I do not wish to bore members with more statistics. I merely wish to let them know the economy of Australia is in a healthier condition than is alleged.

Vote: Premier's Department, \$966 000—

Item No. 1: Salaries and Allowances, generally, \$501 000—

Mr DAVIES: Could the Premier tell us why the staff of his department has risen from 33 last year to 50 this year?

Sir CHARLES COURT: Mr Chairman—

Mr Skidmore: He is stumped; there must be a reason.

Sir CHARLES COURT: I would be delighted to tell the honourable member but in view of a note I have sent to the Leader of the Opposition I suggest we report progress and deal with the query on a later occasion.

Progress

Progress reported and leave given to sit again, on motion by Mr Clarko.

BILLS (2): RETURNED

1. Industrial Arbitration Act Amendment Bill (No. 2).

2. Public Service Arbitration Act Amendment Bill.

Bills returned from the Council without amendment.

BILLS (2): RECEIPT AND FIRST READING

1. Hospitals Act Amendment Bill.

2. Interpretation Act Amendment Bill.
Bills received from the Council; and, on motion by Sir Charles Court (Premier), read a first time.

House adjourned at 11.55 p.m.

Legislative Council

Thursday, the 6th November, 1975

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

QUESTIONS (3): ON NOTICE

1. SOUTH FREMANTLE POWER STATION

Smoke Emission

The Hon. R. THOMPSON, to the Honorary Minister representing the Minister for the Environment:

(1) Have letters from the Town of Cockburn been received by—

(a) the Minister for the Environment;

(b) the General Manager, State Energy Commission;

(c) the Commissioner of Public Health; and

(d) the Air Pollution Council; complaining of fallout from the South Fremantle power house in the form of an oily black substance which is allegedly staining cars, furniture, and laundry on clotheslines, in the Hamilton Hill area?

- (2) What positive action is being taken by the responsible department to rectify this unsatisfactory situation?

The Hon. I. G. MEDCALF replied:

- (1) (a) to (c) Yes.

(d) No.

- (2) Investigations carried out by Public Health Department reveal the possible existence of other sources of "oily black" substances, notably the burning of industrial and domestic waste.

Investigation is still proceeding. As soon as this investigation is complete the Air Pollution Control Council will be informed.

2. *This question was postponed.*

3. WATER SUPPLIES

Hopetoun

The Hon. Clive Griffiths for the Hon. T. KNIGHT, to the Minister for Justice representing the Minister for Water Supplies:

Further to my question 3 of the 5th November, 1975, regarding water supply to Hopetoun, is the Minister aware that a private contractor—

- (a) has located, he believes, a supply of potable water in the quantities required by the Minister's department;
- (b) is not prepared to go any further at his own expense until the Government is prepared to negotiate a price to bring this bore to supply stage?

The Hon. N. McNEILL replied:

- (a) and (b) No. However, if the Hon. member supplies more details, including the location of the supply reported to have been found, a geologist who will be commencing an investigation of underground water in this area next week will be requested to check the report.

CONSTITUTION ACTS AMENDMENT BILL (No. 4)

Second Reading

THE HON. N. McNEILL (Lower West—Minister for Justice) [2.37 p.m.]: I move—

That the Bill be now read a second time.

The purpose of this Bill is to provide for an increase in the number of Ministers in the Government from 12 to 13.

The decision to introduce the Bill has been made after mature consideration by the Government, and in the light of experience since it took office last year.

There is no doubt that the complexities of Government today are vastly different, and difficult, compared with those in former years.

These complexities—quite apart from the increase in the volume of ministerial commitments—are further increased because of the tense and continuing complications between Commonwealth and State.

There is always a problem present in trying to apportion the ministerial burden with reasonable evenness over all the portfolios and, at the same time, achieve logical groupings of portfolios.

The perfect solution has not been found because often the logical groupings bring a serious overload on a particular Minister, or Ministers.

The Government arranged the appointment of an Honorary Minister to overcome the position on a trial basis. This has been successful, in so far as an Honorary Minister is able to function, and I refer, of course, to my colleague the Hon. Ian Medcalf. His work in the specialised field of Federal affairs has been of great value to the Cabinet, and to the Premier in particular.

However, there are constitutional limitations on the role to be played by an Honorary Minister, and it is now sought to create an additional full Ministry.

We are hopeful that, within the life of this Parliament, we will be able to return to a portfolio of Attorney-General which, as members know, requires a fully qualified legal practitioner.

It is also suggested that the portfolio of Justice may be more appropriately related to the administration of certain Statutes and departments or instrumentalities—as distinct from those calling for the qualifications of a legal practitioner, and particularly as implementation of Government policies continues to place greater emphasis on legal experience.

It is appropriate that I convey to members the situation in the other States—

	Now	Previously	Increase	Date of Change
New South Wales	13	16	2	Feb. 1969
Victoria	17	18	1	1973
Queensland	13	14	4	Mar. 1975
South Australia	12	11	1	Oct. 1975
Tasmania	10	9	1	May 1972

This provides a quick reference for members desiring to make comparisons. However, I emphasise that Western Australia has some peculiarities which are quite different from those in other States. For instance, Victoria in size is less than that of Kimberley. The commitments of Governments, regardless of which party is in power, are increasing, literally stretching from one end of the State to the other, and increasing on an east-west basis also, and it has been found by the Government that the burdens and complexities of today's type of Government are greater than ever before.

It has been stated that one important aspect of Government policy, namely that of vetting of Statutes and regulations to ensure that personal liberties are not infringed unduly, has not yet been implemented. It is believed that the availability of a Minister with legal qualifications will greatly assist the establishment and operation of a body to carry out this important and technically-detailed function. It is proposed that such a body will be established in the new year.

I have stated but some of the reasons supporting the additional ministry, and these should not overshadow the real purpose of the Bill, which is to increase the number of permitted ministries from 12 to 13.

Members will appreciate, of course, that Governments make their own allocations of portfolios from time to time, and the change in numbers is not intended in any way to bind the present or future governments on such allocations.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. K. Dans.

RESERVES BILL

Second Reading

THE HON. N. E. BAXTER (Central—Minister for Health) [2.41 p.m.]: I move—

That the Bill be now read a second time.

The Reserves Bill is introduced at a late stage in the session to enable the Minister for Lands to place before Parliament, in a single measure, the proposed variations to Class "A" reserves made in the preceding 12 months.

The Bill proposes variations to eight separate Class "A" reserves, as I shall briefly explain.

Clause 2: Class "A" Reserve No. 27107 is an area of about 2160 hectares extending south-east from Oyster Harbour to the sea, and adjoins the eastern extremity of Albany townsite. It was set apart for the designated purpose "Townsite Extension—Albany—and National Park" in 1964 to protect some outstanding scenery, and to cater for future urban development.

The Albany Port Authority considers that the sea frontage is suited to development as a deep water port for loading bulk products into large ships requiring a greater depth of water than can be provided economically by deepening Princess Royal Harbour. Various interested authorities have been consulted, and while there is no outright objection to the proposal, it is fairly evident that several years will elapse before feasibility studies and preliminary planning can be evaluated.

In the meantime, the reserve purpose indicates some possibility of urban development which would be likely to prejudice logical and orderly creation of a port. Altering the purpose to National Park will remove this possibility of premature residential development without obstructing future diversion of the whole or any part of the reserve to any purpose acceptable to Parliament.

The Hon. R. F. Claughton: May I interrupt, Mr Minister, to ask whether any plans have been provided with this Bill?

The Hon. N. E. BAXTER: Not to my knowledge at the present time. I can make inquiries of the department to see whether any plans are available.

The Hon. R. Thompson: We usually do have plans.

The Hon. N. E. BAXTER: Clause 3: Class "A" Reserve No. 337, an area of about 68 hectares, straddles Albany Highway at Beaufort River, and is set apart for camping, stopping place, and recreation. The Shire of Woodanilling wishes to establish a rubbish dump to serve the western end of its district, particularly in regard to waste from the Beaufort Tea Rooms. These tea rooms are north of the reserve on a block containing about two hectares, much of which is too wet during winter for rubbish disposal.

The western severance of the reserve comprises about 14 hectares of sandy soil suitable for development as a rubbish depot and carries only unattractive scrub with some banksia. The rubbish can be trenced in the centre of this section of the reserve, leaving about 50 metres width of scrub to screen the tip from Albany Highway. The shire will supervise disposal and organise the trenching in a manner which will encourage regeneration of native vegetation.

Clause 4: Class "A" Reserve No. 2146 is an area of 40 hectares set apart for recreation and controlled by the Shire of Swan. The council owns 5½ hectares adjoining, and the whole area is known as Noble Falls Reserve. The shire constructed recreational facilities on its freehold land, but inadvertently encroached to a considerable extent on the adjacent farming property.

The general public have been permitted to use all facilities by courtesy of the present and previous owner of the farm during a lengthy period of negotiations designed

to ratify the situation to the mutual advantage of the public and farmer. Agreement has been reached in a proposal to exchange approximately equal areas from the farm and this reserve, with the private property boundary being altered from the centre line of Wooroloo Brook to alignments some distance back from its banks. The farm fences enclose a substantial portion of the reserve, and only part of this is being granted as exchange land, in addition to which practical access to the farm is by way of two tracks from Toodyay Road across the reserve; one to a creek crossing for heavy vehicles, and the other to a timber bridge which spans the brook.

It has been agreed that the existing fence can remain, either until it requires replacement, or for a term of 10 years, whichever is the lesser period. In addition the shire has agreed to maintain the tracks serving the farm in return for transfer to the Crown without monetary compensation of an area of 1.7113 hectares for use as a recreation reserve controlled by the Shire. The last-mentioned parcel contains improvements provided by the shire for public use, as well as a pleasant stretch of Wooroloo Brook, and has not been developed as part of the farm.

Clause 5: Class "A" Reserve No. 8979 is an area of about 5½ hectares at Donnybrook, set apart for park lands in 1903 as part of a design of subdivision. The bulk of the reserve has been developed as a park displaying a wide variety of trees, with a little more than one hectare on the western side having been completely cleared and used as a market garden.

The Shire of Donnybrook-Balingup desires to establish a caravan park on the cleared section of the reserve, and inspection confirms that the proposed site is ideal for the purpose. It is intended to create a reserve for the caravan park and issue a vesting order to the shire.

Clause 6: Class "A" Reserve No. 15997 is an area of 65 hectares enclosing Yeal Swamp, and was originally set apart for "water". In 1955 it was found to contain gum trees suitable for feeding the koalas at nearby Yanchep National Park and to preserve these trees its purpose was changed to "Protection of Flora", with simultaneous delegation of control to the National Parks Board.

Planning of a large reserve in the locality to conserve flora and fauna is now nearly complete and, as Reserve No. 15997 adjoins, and is no longer required by the National Parks Board, it is desirable to include the land with the larger area in a single reserve for conservation of flora and fauna.

Clause 7: Class "A" Reserve No. 21253 is an area of about 3328 hectares near Hyden, and was set apart for "Conservation of Indigenous Flora" in 1955. During 1973 the Western Australian Wildlife Authority requested the Department of Fisheries and Wildlife to arrange a survey

so that its conservation potential could be assessed. It was found that the area is important for both regional conservation and as a recreation area for local residents, with a lake being of prime importance to both aspects. Lake Gounter is used by water-ski groups, and it has been agreed with the Shire of Kondinin that the western portion of the reserve can be used for general recreation—excluding shooting—including part of the western shore of this lake and a section of its waters.

The purpose of the reserve needs to be altered to conservation of flora and fauna, with delegation of control to the Western Australian Wildlife Authority for effective administration.

Clause 8: Class "A" Reserve No. 23063, which contains about 25 hectares, was created for "Recreation—National Fitness" in 1950, and comprises those sections of Heirisson Island not required for Perth Causeway and anticipated future road expansion. The National Fitness Council, which has since been absorbed in the Youth, Community Recreation and National Fitness Council of WA, was at that time seeking a site for development as a major recreation complex, and the available portions of Heirisson Island were considered satisfactory.

The reserve was originally vested in the Minister for Education on behalf of the National Fitness Council, until review of all aspects in 1960 resulted in a decision that the island was not well situated for the proposed forms of recreation, and the vesting order was relinquished.

Since then, many suggested forms of development have been considered, and it has now been agreed that the island can best be controlled by the City of Perth for picnicking and compatible forms of recreation, with provision for a fauna park to display selected types of wildlife. Work already has commenced, using funds supplied by the State and Commonwealth Governments, and the City of Perth. The present purpose of the reserve is not really suitable where control is exercised by a municipality, and it is proposed to alter the purpose to public park.

Clause 9: Class "A" reserve No. 22365 is an area of about 7½ hectares set apart for park and recreation at Preston Point, and is vested in the Town of East Fremantle. Part of the adjacent river frontage is occupied by an army small craft base, and a cyclone fence surrounding that establishment encroaches on to the reserve to the extent of 204 square metres. The Commonwealth Government wishes to purchase this section of the reserve, and has agreed to pay \$2 000. The proposal has been referred to the Town of East Fremantle and the Metropolitan Region Planning Authority, and neither of those bodies has any objection to the sale.

The customary notes in relation to the clauses of the Bill, and the corresponding plans of the areas involved, are available in the House, and I commend the Bill to the House.

Debate adjourned, on motion by the Hon. R. F. Claughton.

STATE FORESTS

Revocation of Dedication: Assembly's Resolution

Message from the Assembly requesting the Council's concurrence in the following resolution now considered—

That the proposal for the partial revocation of State Forests Nos. 2, 22, 28, 36, 40, 43, 47, 64 and 69 laid on the Table of the Legislative Assembly by command of His Excellency the Lieutenant Governor and Administrator on 28th October, 1975 be carried out.

Motion to Concur

THE HON. N. E. BAXTER (Central—Minister for Health) [2.52 p.m.]: I move—

That the proposal for the partial revocation of State Forests Nos. 2, 22, 28, 36, 40, 43, 47, 64 and 69, referred to in Message No. 108 from the Legislative Assembly, and laid upon the Table of the Legislative Council on the 28th October, 1975, be carried out.

In moving a motion of this nature which is customary as each session draws to a close, I would re-iterate the statutory requirements which necessitate the introduction into Parliament of certain procedures affecting revocations of dedications of State forests.

A dedication of Crown lands as a State forest may be revoked in whole or in part only in the following manner under section 21 of the Forests Act, 1918-1969—

The Governor shall cause to be laid on the Table of each House of Parliament a proposal for such revocation.

The proposal, the subject of this motion, was laid on the Table in this Chamber and in another place on Tuesday, the 28th October, 1975. It continues—

After such proposal has been laid before Parliament, the Governor on a resolution being passed by both Houses that such proposal be carried out, shall, by order-in-council, revoke such dedication.

On any such revocation the land shall become Crown land within the meaning of the Land Act.

The requisite procedures have already been completed in the Legislative Assembly by the Minister for Lands, Forests, and Tourism, and this House now is asked to concur with the action taken therein.

The revocation of dedication of 10 areas of State forest is being submitted to members for consideration.

Members will note that the proposed excisions amount to 906 hectares, and the gain to State forest through exchanges contingent on these proposals is 182 hectares. This amounts to a net reduction of 724 hectares, of which 708 hectares is

proposed in the transfer to the Metropolitan Region Planning Authority of State Forest 69 near Wanneroo.

This large area is proposed for revocation and redirection to the Joondalup sub-regional centre. This action was agreed to by the then Minister for Forests in September, 1973, and the proposal is supported by this Government. Excluding this area, the net loss of State forest proposed under the motion is 16 hectares.

It is desirable to draw members' attention to the fact that additions to State forest in 1974-75 amounted to 2 421 hectares and excisions embraced only 69 hectares.

As mentioned previously, notes on each of the 10 areas involved, and plans covering the areas proposed for excision, have been tabled for the benefit of members. I commend the motion to the House.

THE HON. S. J. DELLAR (Lower North) [2.56 p.m.]: As the Minister has said, we see such a motion as this at about this time each year, along with the Reserves Bill, which has just been introduced. The Minister has stated that the relevant plans have been laid upon the Table of the House, and members have had an opportunity to study them and lodge objections, if they so desired. We have no opposition to the motion.

Question put and passed, and a message accordingly returned to the Assembly.

STATE FORESTS

Acquisition of Land at Manjimup: Assembly's Resolution

Message from the Assembly requesting the Council's concurrence in the following resolution now considered—

That the consent of this House be granted to purchase, acquire, resume or appropriate the land designated Nelson Location 3643 in the Shire of Manjimup for the purpose of inclusion in the surrounding State Forest No. 38.

Motion to Concur

THE HON. N. E. BAXTER (Central—Minister for Health) [2.57 p.m.]: I move—

That this House concurs in the proposal to purchase, acquire, resume or appropriate the land designated Nelson Location 3643 in the Shire of Manjimup for the purpose of inclusion in the surrounding State Forest No. 38 referred to in Message No. 107 from the Legislative Assembly, and laid on the Table of the Legislative Council on the 28th October, 1975.

In moving this motion I would remind honourable members that under section 22 (1) of the Forests Act, 1918-72, the Government is empowered, subject to the

consent of Parliament and under the Public Works Act, 1902, to purchase, acquire, resume or appropriate land for the purpose of a State forest or provide access thereto.

Whereas it is proposed to acquire Nelson location 3643 under section 22 (1), and the consent of Parliament being a statutory prerequisite of such acquisition, a description of the land in question, supported by good reasons for the proposal, were tabled in this House on Tuesday, the 28th October, 1975.

By way of explanation, it is necessary to point out that Nelson location 3643 comprising about four hectares, was purchased by the registered proprietor in 1922.

This small block is completely isolated within the State forest and is uncleared. It is recognisable from the surrounding State forest only by the dilapidated remains of an old boundary fence and has no declared road access.

Should the land remain privately held, and be occupied, an expensive roading commitment would be necessary to isolate it from any adjacent Forests Department burning. There would also be the constant threat to the adjoining State forest from fire emanating from the block.

Its forest potential is equal to that of the high quality surrounding State forest.

Letters dispatched with advice of delivery cards to the landholder's two known addresses have been returned unclaimed. He is not known in the district, and is not on the electoral roll.

In view of the circumstances outlined, it is desired that the location be resumed and included in the surrounding State Forest 38.

Consent of Parliament is necessary as a preliminary to action being taken under the Public Works Act, 1902, for such resumption.

Since the speech notes were written it appears subsequent to an article in the *Daily News* of the 5th November a claimant has come forward in regard to the beneficiary rights to this land. He has advised the Government that the owner of the land died in 1942, but that the owner did have beneficiaries who, probably, would have rights to this land.

This, of course, will make no difference to the motion proceeding, as it is a motion for notice of resumption. If the claimant beneficiary can establish his right as beneficiary the person concerned shall be entitled to any value in the land.

THE HON. S. J. DELLAR (Lower North) [3.01 p.m.]: Here again I was about to rise to say we fully support the motion; that we have no opposition to it. I too intended to refer to the same newspaper article that has been quoted by the Minister. That, however, is not now necessary because, from the explanation given by the

Minister, it is quite obvious that if the claimant beneficiary can establish his right he would have a claim against the Government and would be entitled to compensation. He would, of course, have to prove his case.

Question put and passed, and a message accordingly returned to the Assembly.

GRAIN MARKETING BILL

Second Reading

Debate resumed from the 4th November.

THE HON. R. T. LEESON (South-East) [3.03 p.m.]: From the outset I would like to say the Opposition supports the Bill and in so doing I wish to make a few comments.

As members opposite know, the industry with which we are dealing is a most important one; it is a multi-million dollar industry, and no doubt we will hear more about it from other members.

To some degree it is unfortunate that the measure was before the House prior to the outcome of the referendum in relation to lupins. Although we know now that complete acquiescence was obtained with that referendum, I understand that had 25 farmers voted the other way perhaps the outcome could have been reversed. The outcome is now with us, even though it was very close.

I understand that only 3 per cent of lupins produced in Western Australia are retained for home consumption; 97 per cent are shipped overseas to the export market. Apparently lupins are very popular as a high protein food in other parts of the world.

The oats industry, of course, is completely free from Grain Pool control and, to some degree, this is understandable. The trafficking in oats would be very hard to police, particularly in Western Australia. I understand there was no organised consultation with oats growers at all before this measure was brought before the House.

Since the Bill was introduced in another place certain amendments have been proposed, and I see from the notice paper that it is intended to move further amendments in this House.

It seems to me that the Government could have and should have spent a bit more time in the study of this legislation before bringing it to Parliament, because obviously quite a number of mistakes were made, and I do not know at this stage whether or not they have all been rectified. Time alone will tell.

One of the amendments proposed in this Chamber seeks to change the structure of the Grain Research Committee; and there is a new clause 29, the purpose of which is to override section 9 of the Bulk Handling Act in connection with specially approved grains.

The Labor Party has always supported producer-controlled marketing boards of this type, and I recall when the Tonkin Government was in office that the then Minister for Agriculture set up a working party to examine the differences and problems within the industry.

At this stage I would say it is good to see that Labor Party legislation is now being consummated. As I said earlier, it does appear that the differences between the lupin and the oats growers were not resolved before the Bill was introduced and, as a result, we have these amendments on the notice paper. I understand, too, that there has been quite a lot of argument.

We on this side of the House support the Bill with some reservation.

THE HON. J. HEITMAN (Upper West) [3.07 p.m.]: I would like to say a few words on the Bill, and at the outset I would indicate that I cannot altogether agree to what has just been said; that this is something the Labor Party started and this is how it has finished. However, it is pleasing to know that the Opposition agrees with the Bill.

I thought the products legislation which the Labor Party tried to introduce when it was in government was a totally different setup, and had the people on the board, especially from the Department of Agriculture, run this seeds board they would have taken over everything from the Grain Pool of WA and set up their own system. They would have run the entire show.

A lot of water has flowed under the bridge since then and the legislation before us is a totally different concept from the establishment of a single grain marketing authority.

A lot of people have had something to say from time to time about what should happen, and I would like to read some remarks which rather amused me and which were from the Pastoralists and Graziers Grain Committee.

The PRESIDENT: Would the honorable member kindly identify the publication?

The Hon. J. HEITMAN: The article is from the *Western Farmer and Grazier* dated the 17th April, 1975, and reads as follows—

What does unity mean to politicians?

One could be forgiven for thinking from time to time that politicians are a somewhat strange breed.

The occasional change of colour or frantic dash in and out of a forest where you can't see the wood for the trees makes them difficult to identify with any degree of certainty.

The only positive factor common to the breed is the thickness of the hide.

The thing that has brought all this to mind is the proposal for a single grain marketing authority. Just take a look at what's happening.

"Unity" bleats

"Unity," the political breed bleats. "We can't do anything for primary producers until they show unity. How can we know what you really want unless you come to us with a unified approach?"

So primary producers do as they're told. In this State at least, the two principle grower organisations get together and form a Unity-Committee.

One of the first things this committee does is to study the single grain marketing authority question. The two sides discuss, argue, cajole and compromise until a joint submission is drafted, approved and lodged with the Government.

The submission calls for a single grain marketing authority comprising four existing trustees from the Grain Pool, two grower representatives from each of the Barley Board and the Seeds Board, three other growers elected from specified zones and two members with commercial experience.

The Minister for Agriculture appears to agree with the proposal. A unified approach seems to have worked.

But then the politicians, in this case members of the ruling parties, say they want a smaller board, one that eliminates representatives from the Seeds Board and the two with commercial experience.

So what does a unified approach mean? If the politicians have their way in this instance, it will mean absolutely nothing. They say they want a view representative of the entire industry; they get it, and then make signs of disregarding it entirely.

While it's all pretty hard to understand, there may be more to it than meets the eye.

In the circumstances it would be easy to believe that vested interests are at work. It could be said that the Grain Pool is trying to make sure it has control of any single marketing authority that eventuates.

Whatever the case, the important thing is that it's about time everybody started to take a bit of notice of the people they're said to represent, of those whose interests they are supposed to look after.

And while we're on the question of having a little notice taken of our needs; let's have yet another crack at the question of transport.

I will stop at that point. That article indicates that many differing views were expressed when it was first suggested we should have a single grain marketing authority.

The Grain Pool of Western Australia has been in operation since 1932 and has a tremendous record.

The Hon. T. O. Perry: It has done a good job.

The Hon. J. HEITMAN: Many people would have liked to take over its \$4 million assets and start afresh so they could say what good fellows they were.

I have been on the committee from the outset and I also helped in the drafting of the Bill. We did not want any commercial men. We believed that the growers' organisation should run the pool and we wanted its members elected by growers. There would have been seven directors elected by growers of this State to run the pool. They would not have taken over that much from the pool, but would have been available to assist it to carry on the good work it has done over the years.

For 50-odd years the pool has brought in experts from time to time. If it required some advice about the money market, it was able to get this from the appropriate person. If it wanted expertise on any particular portion of the Act it was able to get it with very little cost to the trustees of the pool.

That situation existed up until 1970, but in that particular year the members of the pool were sacked. They were not allowed to sell any more barley. A team of efficiency experts was appointed to study the running of the pool. That team was Young and Associates from Melbourne. The members of the efficiency team went through the affairs of the pool with a fine tooth comb and then submitted a very good report. They suggested that the men should be assured of a continuity of work; that they should have an assistant general manager as well as a manager; and that the men should be paid a higher wage.

I understand that all those recommendations have been adopted and we are still obtaining wonderful service from the pool. This will be the situation again this year, too, because the legislation could not possibly come into operation until quite an amount of the barley and oats is sold.

I often consider the amount of faith we must have in grower organisations. However, having read that cutting, I realise that someone in the grain section has rushed into print with an article which downgrades politicians as much as it is possible to downgrade them. I feel that the association should study its grain marketing section with a view to overhauling it. The person responsible for this disruption should be taken to task because obviously he is going out into the country to stir up trouble. This action must be stopped if the association wants to retain its present membership because after all the farmers who pay their subscriptions are those who keep the association on deck. Without the

support of the growers the organisation would not get very far.

I consider that a few aspects still require attention. The committee had to permit the Barley Marketing Board personnel, elected by the growers, to be on the Grain Pool. Already representatives elected by the growers to the Seeds Board have been allowed on the pool; and eventually, through sheer weight of numbers, we had to climb down and accept commercial men with selling, marketing, and financial acumen at their finger tips.

Perhaps there is nothing wrong with that. If majority rules in this case, the whole organisation must knuckle down and agree. However, it does seem a bit hard that an organisation which was running so successfully for so many years should have to bring in all these other people to help. The personnel appointed might not have the right type of expertise, but the pool will be stuck with them for four years at a time.

I only hope that when the commercial men are appointed they will not have a pecuniary interest in the sale of barley, oats, or any other grain which might be sold. This would overcome a lot of the misgivings I have. No-one with a pecuniary interest in a marketing organisation should have an opportunity to dictate what should be done.

I have some other thoughts on the legislation. The Growers' Council will still operate and I believe this is a good thing. Over the years there has been a council of 21 people representing various districts all over the State. It has been a good set-up. The boys on the council know exactly what is happening in their districts from time to time and they are able to give the necessary information to the board of directors. They can indicate what type of season they have had in their various districts, whether the grain is first class or stained as a result of excessive wetness, and any other information which should be available so that those selling the grain know exactly the type they have at their disposal.

Under the set-up there will not be a chairman. In the past a chairman sat at most meetings of the trustees of the pool and in this way he gained a great deal of knowledge which he could convey to the Growers' Council. Under the new legislation the chairman of directors will be the chairman of the Growers' Council and he will advise the council on the working of the board and indicate what is going on. He will ask the members to go into the country and produce intelligent reports. He will ask them to indicate seasonal conditions and the type and amount of grain which will be available for sale.

Perhaps there will be no difference in the set-up. The only aspect is that one man will be the head of the Growers' Council and of the directors of the Grain Pool. There will be nine directors instead of four as previously. Perhaps this will be a heavy

burden for this one person, but of course the Growers' Council will be able to ask him questions direct so that it will know exactly what is occurring on the board of directors.

Taking the situation all in all and the fact that there have been so many differing views, the draftsman has done a tremendous job with the Bill before us. I suppose that in the coming years amendments will be necessary from time to time, but I believe that before us we have legislation which is workable and is the best which can be devised at this point of time. It helps all sellers of grain.

There is an amendment on the notice paper which will help to bring oats in more or less by acquisition of the amount of oats delivered to Co-operative Bulk Handling. It also gives the farmer the chance to make sales to other farmers and to local businessmen. Such a system might be all right in the long run but anything delivered to CBH will be prescribed grain or will be sold through the Grain Pool. I think it is a good thing.

In the past we have always had a voluntary oats pool. The oats pools have always been a little bit dicey because unless one knows how much one has to sell and can sell forward on the best market, one is floundering when the oats come in and one finds one has not been able to make sales ahead of the delivery period. Anyone selling farm produce must know what he has to sell in the long run so that he can sell ahead on the best market.

Perhaps I will be accused by someone sitting close to me of being socialistic in outlook; but we heard a long discourse on beef last night and we find there are a tremendous number of sellers in the beef market. I always feel if we can play one seller off against another seller we have a chance of getting meat or any other commodity a bit cheaper. There are probably a few members who will not like this but I think people must start to think a little differently. A system of having a number of sellers certainly lends itself to bargaining and getting the lowest price available at the time.

In the Committee stage perhaps we could have another look at some of the points I do not like. For the time being, I support the Bill.

THE HON. M. McALEER (Upper West) [3.23 p.m.]: I support the Bill and in doing so I would like to make one or two comments.

Although I received my practical knowledge of farming in and since the 1950s—that is to say, the good years, or the comparatively good years until recent times—I have had occasion to spend a great deal of time studying the depression of the 1930s and the events which led up to it. So, like another generation of farmers, I have a mistrust of fragmented selling by individual gain growers to a multiplicity of

buyers and merchants, and as a corollary I have confidence in a single marketing authority. This is not to say I think a monopolistic authority does not have many problems or that it is necessarily the sole or best answer. It is simply that I do not know of a more satisfactory alternative.

Of course, what this Bill sets out to do is not to provide a substitute for *laissez-faire* selling. The Barley Marketing Board already existed and had responsibility for the marketing of barley. The Seeds Board already existed and had responsibility for the marketing of rape seed, linseed, and latterly lupins. The Grain Pool was *de facto* the sole selling agent in the State, especially for overseas markets, for all these products. The Bill amalgamates all these boards and the selling agent into one grain marketing authority. One might say it is simply a streamlining process, except that it does away with the possibility of there being more than one selling agent, which was a real possibility, for instance, with the Barley Marketing Board, although it might not have made use of it. This possibility will now be lost unless the new Grain Pool appoints further agents.

Most of us on this side of the House would agree in theory, at any rate, that competition is good for an enterprise to keep it on its toes. But here we have the paradox that we are doing away with the possibility of competition in favour of a monopolistic enterprise. We are even going so far as to do away with competition to the voluntary oats pool.

I do not say this is wrong but I am concerned in case it points to the basic weakness in the pool system; but the threat of competition to the voluntary oats pool developed very quickly and it has been complicated by the connection with the warehousing provisions of CBH which placed competitors in an advantageous position to outbid the Grain Pool and so put at risk its forward sales and perhaps the pool itself for this year. At the same time it must be remembered that the oats growers are also shareholders of CBH, and it might well be argued that if they choose to use the warehousing provisions of CBH to sell their oats to greater advantage other than to the Grain Pool, that is their right.

There are two possible risks involved: a short-term risk to the forward sales of the Grain Pool, and the long-term risk that today's competitors in the oats market will fade away tomorrow when the price of oats falls and will leave the voluntary pool weakened by the loss of markets and failure to meet this year's commitments.

The alternative to marketing oats as a prescribed grain under the new Bill is to prevent competitors having access to CBH warehousing facilities and force them to provide storage facilities of their own,

which I think would be an almost impossible proposition on a large scale in the present season but which in the long run would ensure a bigger investment in the industry on their part and, one would hope, a continuing and serious participation.

There is no fair solution to this problem except to have recourse to the oats growers themselves, to place the issues clearly before them and let them decide for themselves.

The fact of the matter is the oats pool is at present a voluntary pool and it is rather hard to justify treating it as a statutory arrangement without a clear direction from the growers.

The question of competition to the voluntary oats pool brings one back again to the problem of a single grain marketing authority without competitors. What is there to keep it on its toes, and what is there to allow the interested parties—the growers and the Government—to ascertain that it is doing its best at all times? I do not know that there is any simple answer to this question.

When the question is raised, people are inclined to point to the constitution of the board of directors—the large and dominant elected grower component plus the appointed commercial representatives—and say this is a built-in safeguard. Perhaps it is, but I am rather inclined to think it is a guarantee of the good intentions of the authority and cannot be used as a yardstick to measure its ability or the success it may achieve. It is possible—I do not say it is probable—that the Grain Pool and the growers may be too easily satisfied with relative success, particularly in good times.

As with all elective bodies, the board of directors of the Grain Pool will be dependent on two factors for its quality: suitable candidates presenting themselves, and a discriminating choice on the part of the electors. Nonsuccess in performance is likely to be punished by failure to be re-elected, but mediocrity can very often escape this kind of retribution.

I do not see how it would be possible but I would like the commercial directors to be elected. These are the men with the marketing and financial experience. This is a matter of some difficulty, because probably their abilities would not be known to the electors—the growers—at large. Also, it would be difficult to demonstrate their abilities. However, I must say that I do not really care for the system of appointments as such, because while in the ultimate it gives the Minister a chance to choose the best available marketing and financial people, it also leaves the success or failure of the appointments to his judgment in the last resort; and it does not facilitate changes whenever they may be necessary.

It is true in this particular case the appointments will be made from a panel of names submitted by grower organisations in the normal way, and I think this at least does away with the likelihood of political appointments.

Fears have also been expressed that there will be a lack of continuity in the operation of the Grain Pool as a result of the minority of trustees who will continue on the board of directors being outweighed by new representatives. However, I believe the experience and expertise of the continuing directors—at least I hope this will be so—will be sufficient to give their opinions proper weight. I regret that zones 1 and 5 will not be represented immediately, especially as zone 1 happens to be in the Geraldton region, which is an important lupin-growing area; however, the growers of that area will be represented in August, 1976, so the gap is not a very great one.

This brings me to a clause in the Bill which I would rather not see there. Although this provision has been taken from the Marketing of Barley Act and was never to my knowledge invoked under that Act, I still regret it is included in this Bill. Clause 22 (4) gives the Grain Pool the power to control production if considered necessary because of a likely surplus which might affect sales.

When I queried this with the Minister he said it is not a provision which is ever likely to be used without consultation with the growers, and I believe this is a commonsense view. However, I still do not care to see the provision in the Bill. We are still too close to the inequities and non-successes of the wheat quota system to provide lightly and vaguely for the control of production. Psychologically speaking, it is bad for the authority always to have this possibility to fall back on. Furthermore, I wonder very much whether it is the function of a marketing authority at any time to impose controls or limitations on production, even if such controls or limitations may be considered desirable.

A great deal of time, effort, negotiation, and compromise have gone into the setting up of this single grain marketing authority to be known as the Grain Pool of Western Australia. It is only when it comes into operation that we shall really be able to see what shortcomings may develop, and we will then have an opportunity to correct them. However, although it has taken a great deal of time to arrive at the present form of legislation, and this has caused some impatience, I believe the matter is important enough to warrant the time spent on it so far, and any further time that may be needed to iron out any difficulties which become apparent.

A marketing system which we ourselves set up ought to be the best we can devise, and we ought to be prepared to revise it if necessary. Most of all, I believe we

should subject its performance to the closest possible scrutiny.

I support the Bill.

THE HON. A. A. LEWIS (Lower Central) [3.34 p.m.]: This Bill contains some socialist tendencies. At the outset I would like to thank the Minister for Agriculture for explaining and giving assurances in respect of the provisions regarding the marketing of oats. The assurances were required for my electors, and I thank him for the speed with which he made them available.

I cannot say that I am not horrified to see lupins included as prescribed grain. I do not think in the long term this provision will be of great use to the lupin growers. I accept the fact that a referendum was conducted at which only half the people eligible to vote actually voted. It is a pity that certain organisations and marketers who have stuck to the private enterprise system were not sent papers, because they might have been interested in this Bill. I think that action interfered a little with what we think is a fair go—and we have heard much about a fair go in this community lately.

I would like to make only two main points. I rise today to seek clarification from the Minister, either when we are in Committee or during his reply to the second reading debate, in respect of why in a private enterprise system we should have some obnoxious clauses in this Bill.

One such clause was mentioned by Miss McAleer. I refer to subclause 22 (4) which I think should be deleted. I do not agree with the reasoning of Miss McAleer and the Minister that the provision may at some time be needed, because I believe that if a referendum becomes necessary at some future time the provision could be introduced then.

I do not believe in legislating unnecessarily for something that may happen. This position has not occurred under the Marketing of Barley Act, and so I do not believe we should legislate for it now. I ask the Minister to give consideration to deleting subclause (4) of clause 22, because I think it is obnoxious to most members of this Chamber.

However, the clause about which I am extremely worried is clause 23. If this clause does not affect the whole of the private enterprise system, I would like to have it pointed out to me where it does not do so. If I may, I will quote from the clause as follows—

23. (1) Where a contract related wholly or partially to the sale or delivery of a quantity of a grain, other than barley, which is a prescribed grain and is not completed by the delivery of all that quantity before the appointed date, the contract is, to the extent of the amount of that

grain not so delivered, void from the date it was made and is to that extent severable, and any other contract or any transaction in respect of that grain is void and severable to the same extent.

That sounds to me—and I hope the Minister can explain that it is not—very much like Big Brother. It sounds like that to me when an organisation can declare a contract void when part of the contract has already been fulfilled; and the contract can be declared void from the date it was signed. That just does not seem right to me.

I am surprised that none of the expert grain people in this Chamber has picked up this point and referred to it, because it seems quite contrary to all Liberal and Country Party philosophy. Quite frankly, I would not even ascribe such a provision to the Australian Labor Party, because I think its members are far too fairminded to declare a contract void from the date of its signing when part of the contract has been fulfilled.

The other two clauses are just as objectionable to me. I would like the Minister, in particular, to clear up those parts of the Bill either when replying to the second reading debate or in Committee. I believe that subclause (4) of clause 22 and the whole of clause 23 should be deleted from the Bill.

THE HON. T. O. PERRY (Lower Central) [3.41 p.m.]: I support the legislation. As indicated by Mr Leeson there has been a certain amount of confusion among producers in my province over this legislation. I do not think members going out into the country and telling stories about the legislation will help. I have here a letter dated the 4th November, 1975, written by Lionel H. Moore, Chairman of Directors, Boyup Seed Processing Pty. Ltd., and it reads as follows—

It has been brought to my notice that the inclusion of oats under Statutory Control is being considered by the State Government.

That is completely false. Continuing—

The grave implications that this would have for our Co-operative, which we are in the process of forming at the moment, is causing us great concern. We have spent a great deal of money building up and expanding this business with the export of oats over the past few years, to make this a viable and respected concern.

As you would no doubt be aware, stopping us exporting oats would reduce our earning capacity to a non-viable unit, we would be forced to close down the cleaning shed and office of the Boyup Seed Processing Works, a company which has been operating for more than ten years, forcing farmers who have contributed heavily to this

company by way of shares and debentures, to now take their seed cleaning requirements elsewhere and the humiliation and loss which will be incurred by voluntary liquidation.

There is no suggestion that oats should become a prescribed grain until delivered to Co-operative Bulk Handling Limited. Boyup Seed Processing Pty. Ltd. has every right to make contracts and to export oats provided it has its own handling facilities, and I think it is very misleading for people to go to that company and suggest that this legislation will interfere with its operations, because it will not. Of course, once grain has been delivered to CBH the situation is completely different.

The Hon. A. A. Lewis: Would you know who told the company that?

The Hon. T. O. PERRY: The shire president told me and Lionel Moore also told me.

The Hon. A. A. Lewis: Could you name him?

The Hon. T. O. PERRY: Perhaps it was a member of Parliament.

The Hon. A. A. Lewis: Did they say that?

The Hon. T. O. PERRY: Yes, they were so concerned about the matter that they asked me to take it up. I pointed out to them that I was not in the Legislative Assembly last Thursday when the final debate on the Bill took place on this measure, and therefore it could have been amended without my knowledge. As far as I was aware the situation was as I explained it to the representatives of the company; that is, that the operations of the company would not be affected by the passing of this Bill.

Mr Heltman touched on a very important matter; that is, the situation that can be created by having a number of sellers of grain, and oats in particular. It is not many years ago that the Grain Pool of Western Australia sold forward a consignment of oats, but because of a poor harvest was unable to fulfil that contract. The contract contained a penalty clause that if the quantity of oats stipulated in the contract was not supplied, the purchaser would pay a reduced price for the oats. Of course this reacted against the producers, and eventually they had to accept a much lower price for their oats than they would have done had the contract been fulfilled.

As Mr Heltman has said, if the Grain Pool has some indication of the quantity of oats available it can sell forward and take advantage of the markets that are offering.

Although I support the legislation, I think the day will arrive when the Grain Pool will have to have control of oats. Everything is all right in times of prosperity when there are ready markets for the grain,

but in those times when there is an oversupply of grain and markets are difficult to obtain every advantage should be taken of the markets that are offering and we should not have one seller undercutting another, because this is what will happen when there is an oversupply of production.

The Hon. A. A. Lewis interjected.

The Hon. T. O. PERRY: In this Chamber there are members who were farming when Mr Lewis was still in short pants. Mr Heltman well knows the time when wheat was bought by merchants and a shipload of the grain would leave Fremantle, but the grain would change hands half a dozen times before it reached its destination. Many of those dealing in wheat made more out of the business than the producers who worked for months and months to produce it.

It is only legislation such as this that has eliminated this practice. While we have sellers who are prepared to undersell one another, this leads to the type of practice I have mentioned. I support the Bill with those reservations.

Sitting suspended from 3.47 to 4.07 p.m.

THE HON. G. W. BERRY (Lower North) [4.07 p.m.]: While I agree with the scheme which seeks to place all grains, other than wheat, and seeds under the control of a single authority, I do appreciate all the work that has gone into formulating the single authority. Over the years this question has been a thorn in the sides of the people concerned, and probably they see this measure as the ultimate solution.

I would like to express some apprehension of the statutory boards which we seem to be creating. I begin to wonder whether in the near future people will be able to grow anything without being controlled by a board. On one occasion Mr Clive Griffiths said people would not be able to grow anything unless they consulted a board first. As I see it, more and more of the produce from the land tends to be placed under the control of statutory authorities.

The Hon. C. R. Abbey: This is a growers' board.

The Hon. G. W. BERRY: I do not know whether it is in the best interests of the growers for the growers to be in complete control of the sale of their products.

In this respect I saw a report recently of a talk given by Dr Bill Lazer who was the Australian Broadcasting Commission's guest of honour in a broadcast on the 11th August, 1974. Dr Lazer is a professor in the Graduate School of Business Administration at the Michigan State University. He is the immediate past president of the American Marketing Association. No doubt, he would be biased towards marketing.

He is the holder of the sales and marketing executives' international distinguished marketing educator award, and the distinguished faculty award from his own university. He has been official adviser to the United States Federal Government Office of Price Administration, and a consultant, on a continuing basis, to such leading companies as General Motors, Ford, I.B.M., and General Electric.

The talk given by Dr Lazer dealt with marketing and its relationship with inflation. I am sure that two parts of that talk are of special interest to members. The first is—

There are many misconceptions about marketing in our economy among consumers. The middle man is perceived of as a useless institution that merely adds to the costs by increasing the profits that he can take.

The middleman, however, is a specialist. He performs some very basic functions that must be performed in the economy. And if one were merely to eliminate wholesalers and eliminate retailers and go direct from the manufacturer to the consumer the costs would soar.

I cannot qualify that part of his talk, because he himself has to give an explanation of how this would come about. The second part of his talk to which I draw attention is—

There is a very interesting tendency that seems to be occurring now around the world. At the very time that the free market systems in Canada, in the United States, in Australia, in England, have moved away from the free market as the regulating mechanism to a more managed economy, the Russian systems are moving in the opposite direction because their managed economies have not worked. They have suffered from the greatest dis-allocation of resources of any large-scale country and as a result they recognise that they must accept more of the free market-place. And this, of course, is in direct conflict with some of the basic teaching of Karl Marx or of the so-called communistic system. My hope is that we will not make the mistake of believing that there is a Utopia in a managed economy. We will create some very serious problems if we adopt this posture.

Those are some of the points of which we should take some notice.

While I give the Bill my blessing and hope it will achieve all that the framers of the legislation hope it will achieve, I do sound a note of warning that it will not be a panacea of the ills which beset the industry.

Debate adjourned, on motion by the Hon. R. J. L. Williams.

BEEF INDUSTRY COMMITTEE ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 5th October.

THE HON. C. R. ABBEY (West) [4.12 p.m.]: As would be expected, I intend to support the Bill. We have heard members make some very far-ranging contributions on this subject and particularly yesterday. Some members have put forward a point of view which does not in my opinion reflect the overall view of the producers.

In particular, I am aware that the Pastoralists and Graziers' Association, the Farmers' Union, and the United Beef Producers Association have examined the matter and have put forward this proposal. In the main they do support it. However, some of their members have expressed certain reservations. It is not true to say that the majority of the growers do not support this legislation.

In my opinion the States in the east would give their eye teeth to have the situation which exists in Western Australia. We have a natural barrier in the desert, and this prevents a flow over the border of stock which could destroy any marketing scheme.

I have been told by prominent members of the Legislatures and prominent leaders in the other States that they do not see any possibility of achieving the same stability that we had in the past. In his speech yesterday Mr Lewis said that in his opinion the scheme had failed.

The Hon. A. A. Lewis: Two schemes have failed.

The Hon. C. R. ABBEY: I thought the honourable member referred to three schemes.

The Hon. A. A. Lewis: I said two schemes have failed.

The Hon. C. R. ABBEY: I accept that. Those schemes were of very short duration, but they did produce some remarkably good results. Both Mr Wordsworth and Mr Lewis pointed out that in the October period Western Australia experienced lower prices than did the other States.

It will be found that there have been great advantages as a result of the scheme which has actually operated in Western Australia during the last nine months. In my opinion such a scheme can be judged only in the long term.

I have previously quoted figures in this House, but I think it is worth quoting them again. I will quote from a table of comparison of average beef prices for Western Australia and Eastern States capitals, for

the period January to September, 1975. The table is as follows—

City	Baby Beef	Steers	Cows
Perth	50.1	37.3	23.9
Sydney	34.0	28.8	17.9
Melbourne	38.0	31.3	21.5
Brisbane	32.5	30.8	21.6
Adelaide	42.3	28.8	18.2

Cows, of course, are always difficult cattle to sell. That description of the market was supplied by two very good newspapers, *The Countryman*, and the *Western Farmer and Grazier*. I am quite sure both those newspapers would be very careful in their appraisal of the situation, and I would accept that appraisal as being accurate.

Another similar table supplied by the Australian Meat Board contains comparable figures, but does show a difference in the steer category.

It is not correct to say, as other speakers have stated, that the scheme has failed. It has provided a very firm basis for the present scheme. As a result of the confidence engendered in Western Australia a greater number of stock is available for the market than is available in the Eastern States. It could be said that such a situation will be detrimental, but I do not believe that will be the case. When the producers are dependent on the local consumption market, quality must be the keynote for their success, and that is becoming more and more evident in Western Australia.

Unfortunately, during the last five years or so, advice was received from the Department of Agriculture, and other interested people, indicating that any type of carcass was acceptable, and they did bring reasonable prices. However, the situation in the Eastern States now is that they have actually killed calves and off-types of stock because of the inability of the producers to carry the stock. Because of that inability, overstocking, and drought the Eastern States' producers have actually put into effect what some of our producers in Western Australia threatened to do.

A fairly artificial supply-demand situation has been created in the Eastern States and the prices are somewhat higher than they are in Western Australia at the moment. That is something we must keep firmly in our minds at the present time. The consumers in Western Australia will reap considerable benefit as a result of the situation which has been created in this State.

There is no doubt that the consumer of beef, or of any other meat, is entitled to expect a reasonably even flow of supply if he is prepared to support the industry. This is a basic concept which the growers would do well to recognise. It is all very well to be able to provide stocks of baby beef during the flush season, with no thought for the future, but the consumers

do not eat beef just during the two-month flush period. The consumers want a stable supply situation, and that is something we have to work towards.

To my mind this Bill will undoubtedly create a stable supply situation, if it is given a chance to work. It is unfortunate that some doubt has been expressed as to the ability of the scheme to work because such statements create uncertainty amongst the producers and the wholesalers. It is most unfortunate that rumours and "furfies" have been spread around regarding the scheme.

I believe the situation which occurred in areas such as Mt. Barker during the last week or so would not have happened if it were not for the present undercurrent of rumours. At the present time the scheme has had very little effect on the thinking of the producers, the wholesalers, or the retailers because it has been voluntary. However, when the scheme legally comes into effect we will observe a great change in the approach of those engaged in the industry.

I would like to pay tribute to the Beef Industry Committee which is a wide-ranging and very representative body. It has done its utmost to support and put forward the proposed scheme. The efforts of the committee are not being supported adequately. It does not have the teeth necessary to deal with the sections of the trade which are definitely undermining the scheme.

It is well to note, contrary to what previous speakers have said, that light-weight cattle will not affect the export market. I admit that light-weight and off-type cattle are coming forward and are being accepted. They will continue to come forward from areas that are overstocked. However, a smaller type, light-weight carcass costs 20c a pound to process from abattoir to pack. It is far more economical to handle the larger type of beast—a beast over 400 pound—which is sought by the export market.

Those people engaged in the export market have gained a great deal of confidence, and they are going forward with their operations on a firm and sound basis. Heavy-weight steer beef is bringing in the vicinity of \$90 to \$100 per head. Bulls are bringing a much greater price than previously, and cows—despite what Mr David Wordsworth said—are bringing something like \$50 to \$70 per head. I think Mr Wordsworth said they were bringing about \$40 per head, but that is not the case. Of course, he could well have been talking about the Esperance area, as I have been reminded.

I have been referring to the local market where exporters are operating. The American market is not accepting any beef in the immediate future. It seems quite obvious, and it is accepted within the

trade, there will be a shortfall before December, and additional stocks of meat will be required.

We know that as from January onwards the new schedule will come into operation and it is confidently expected that the American market will absorb at least as much meat as it took this year, and possibly more. On that basis Australia can expect to export around 300 000 tonnes. In my opinion there exists in Australia a situation where export beef will come forward mostly at a lighter weight and that will lead to a greater kill during the next 12 months. It will also mean an excess amount of stock will be brought within reasonable bounds.

Mr Wordsworth mentioned that the Esperance growers were somewhat disadvantaged, and I have some sympathy with them. However, we should examine the exact situation. It has been traditional for the Esperance producers, and those in the immediate surrounds, normally to supply export-type beef. It is far easier to carry large steers and cows, and the odd bull. They travel better, and they usually have to travel considerable distances from Esperance in order to be slaughtered and exported. That is a fact which existed, and it suited the producers in the area.

We know that last year Esperance and its environs had a rather lean time, and much of the beef could not be fattened in the area. Now, of course, the producers from that area see the proposal for a scheme to cover home consumption cattle. They have noticed it has worked during the last nine months to the advantage of the producers, and they now want to supply light-weight cattle. That is fair enough, but the producers in that area do not have a history of providing that type of beef, and they cannot expect to receive excessive consideration. I am quite sure that the traditional baby beef and light steer producer would be fairly hostile if he had to suffer because the producers from places such as Esperance wished to change their method of production.

In my opinion, this scheme will be an incentive to producers to spread their supplies over the whole year, and this is vital. We do not want the supplies up one minute and down the next, just as we do not want an oversupply of beef, forcing prices down. We need a stable amount of stock coming forward all the time. If we are to stabilise beef production, producers must accept this scheme, just as lamb producers have found they have to accept their scheme. It is far better to spread one's breeding cycle over a long period and so obtain a decent price throughout the year.

Many of the people who normally feed large numbers of steers on grain for export, as well as a small proportion on

lighter feed for the local market, have given up their operations over the last 12 months because of the obvious situation that was developing. These people realise they could not make a profit on the cattle they had bought at high prices and which they had spent money to feed. I am speaking about breeders who carried 300, 400, or even more, steers in the Avon Valley and associated districts.

Quite a few producers did carry on and they fed their stock in a more limited way—not a combined feed-lot operation but on paddock feed supplemented with grain. While many of their fellow producers were selling stock for around \$40 or \$50 each, these producers were supplying good quality stock for the local market and they were receiving \$115 to \$120 a head. I feel that in the future people will regain their confidence and hold their stock longer, particularly in areas where grain is grown or available at a reasonable price. I do not believe it would be feasible to operate on a total combined feed-lot system, but stock can be supplementary fed with grain.

A very good system has been developed so that protein can be added to the feed quite reasonably with white lupins. Fortunately for our State, the plant breeders have developed a white lupin with a very high protein content, and this will enable breeders to make a profit, even at the prices obtained today. A properly fed animal can bring \$120 to \$130, whilst an animal which has lacked good feeding will bring only \$50, so that the farmer who feeds his cattle properly can enjoy a decent margin of profit. We hope this situation will continue.

With the expected good grain crops, a number of farmers will have supplies of grain and they will be inclined to supplementary feed their cattle. These animals could then take up some of the slack in the store market.

Reference was made to the probable oversupply of sheep next year, but it is my experience that people who eat beef are not mutton eaters. Those who eat beef certainly will eat lamb, and overall just a very small percentage of the population of Western Australia eat mutton and this would not have a great effect on the beef and lamb markets. So even if we have this expected flood of sheep coming forward next year, I do not believe it will create any greater problem than the beef industry is experiencing at the moment. We have sufficient capacity to deal with the greater quantities at the abattoirs, a different situation from that prevailing in the drought years. I believe the importing countries that normally take mutton will continue to do so. Personally, I cannot see that the sheep situation will have any effect on the consumption of beef in Western Australia.

It has been said by previous speakers that this is socialist legislation. My interpretation of this phrase is interference by Government; that is, a system controlled and financed solely by Government. That is not the intention of this measure at all, nor was it the intention behind the Grain Marketing Bill. In my view this legislation is designed to draw together the producers to protect their own interest, and surely they are entitled to do this.

If we look at the history of car manufacturers, over the years various firms have joined together and they have become quite successful, and they are able to supply the requirements of the market. We see similar situations right throughout the world. People with similar interests join together so that they can handle a proposed market much more effectively. With the type of businesses I have in mind, the producers of basic materials are not asked to join the board to have a say in what is done with those materials. An efficient organisation sets out to supply a market, at the same time ensuring that the problem of oversupply is avoided. This is what we are endeavouring to do with this measure.

The legislation is badly needed now to stabilise beef marketing, otherwise uncertainty will develop and the whole industry will blow up in our face. It is high time we gave such legislation a chance, and I hope the House will support it.

It has been estimated quite reliably that within the next few weeks—probably by the end of December—the pressure to sell will have passed and the market will be stabilised. We will have a reasonable flow of stock to the abattoirs, and more confidence throughout the industry. Growers will bring their stock forward in a normal pattern. I agree that over the last 12 months some people have not used the amount of superphosphate which they should have, but other areas have a great deal of feed to be consumed. If the price of beef stabilises and the market situation improves—as it will under this Bill—we will have a greater demand for store stock.

In my opinion the statements made that producers do not support the scheme are baloney. People were fearful because of the oversupply situations that were developing in some areas, but once the scheme is explained properly and it is working efficiently, the Beef Industry Committee can explain to producers the true situation and we will see the restoration of a great deal of confidence.

Of course, this measure applies to cattle slaughtered for home consumption. If it has the effect which I believe it will—of raising the price—this will rub off on to all other types of cattle. I would like to congratulate the members of the Beef

Industry Committee on their constructive approach. They wish to ensure that the scheme works, and they desire the co-operation of all sections of the industry, and particularly the wholesale section. People in the wholesale section must realise that if they do not co-operate and play the game, they will face changes in the marketing system which they will not like. Provided private enterprise will give producers a fair go, I believe it will be successful in overcoming this slump. The exporting companies must make great efforts to get out and sell our products throughout the world.

The key word, of course, for the successful operation of the industry, is "quality". The farmer must produce quality beef whether for home consumption or export. As Mr Knight said during his speech, let us go out and discover new and better methods of selling. We must not depend too much on the Government, because Governments change, their policies change, and we could find ourselves well and truly in the soup. I do not advocate relief loans for producers, because in my opinion they do no good. They have not assisted the situation in the past, because they are only a drop in the bucket and have to be repaid. It is far better to use loan funds to promote our goods, cut costs, and restore stability. This is the only way to provide a lasting effect.

THE HON. T. O. PERRY (Lower Central) [4.43 p.m.]: I rise to support the Bill. I would like to say how refreshing it is to listen to a successful man in this field with some constructive ideas on beef marketing, a man who has been through the mill and who has proved he can produce beef successfully. Mr President, it must do your heart good to listen to a speech such as we have just heard. I believe you are a beef producer yourself and you would appreciate these few rays of sunlight on the question of the beef industry.

The Hon. D. K. Dans: Flattery will get you everywhere.

The Hon. T. O. PERRY: We must go back and look at the reasons for the introduction of this legislation. It was those engaged in the beef industry who requested a supply management scheme—it was not dreamed up by the Liberal Party, the Country Party, or the Labor Party. This idea was put forward by the Farmers' Union, the Pastoralists and Graziers Association, the Meat and Allied Trades Federation, and the WA Livestock Salesmen's Association. These organisations were prepared to co-operate in a supply management scheme if the Government of the day would legislate to establish one. Last night we heard two hours of tirade against the scheme. I thought at least we would have heard some constructive suggestions for a better scheme, but after condemning the proposals in the Bill, the members who spoke

did not make one suggestion for a better scheme.

The Hon. A. A. Lewis: It is a funny thing that Mr Perry became deaf during the last 20 minutes of my speech.

The Hon. T. O. PERRY: If the farmers, the Meat and Allied Trades Federation or the WA Livestock Salesmen's Association are prepared to sabotage the scheme of course it will not work. But having given the assurance that they are prepared to co-operate and make the scheme work I believe the Government of the day had no option but to legislate to try to bring this about.

Mr Abbey quoted figures relating to beef prices around Australia which were published in *The Countryman*. I should like to refer to figures produced by the Meat and Allied Trades Federation comparing the prices obtained in Perth, Melbourne, and Adelaide, between January and August of this year. The figures are rather revealing. In January, 1975, the price obtained in Perth was 45.4c a kilo; in Adelaide, 32c a kilo was obtained; and, in Melbourne, they paid 30.4c a kilo, or only two-thirds of the price received in Western Australia.

The Hon. C. R. Abbey: Who produced these figures?

The Hon. T. O. PERRY: They were produced by the Australian Meat Board. In April, 1975, beef returned 54.8c a kilo in Perth, 47.8c a kilo in Adelaide, and 42.9c a kilo in Melbourne. In June, the price was 47.8c a kilo in Perth, 41.5c in Adelaide, and 36.1c in Melbourne. In July, it was 49.5c a kilo in Perth, 45.3c in Adelaide, and 39.7c in Melbourne. In August, the price paid for beef in Perth was 47.8c a kilo; in Adelaide, it was 45c a kilo, and in Melbourne they received 38c a kilo. I would imagine these figures would continue throughout 1975. An article in today's *Daily News* states as follows—

BEEF PRICE COST US SALE SHARE

WA won only one per cent of a big beef shipment to the Soviet Union because of high pen prices when tenders were called.

Eleven ships were chartered by the Australian Meat Board to clear the 35,144 tonnes of meat involved.

Queensland supplied 19,248 tonnes; Victoria 9,997; WA only 228 tonnes.

New South Wales and South Australia supplied 3,715 tonnes and 1,956 tonnes respectively.

Because of bigger surpluses in the type of meat required—ox and high quality cow beef—Queensland and Victorian suppliers were able to sell on sub-contract to the board and still make a profit.

At the time the board let the sub-contracting by tender to fill the contract, pen prices in WA were higher

than in other States and suppliers could not have contracted on a profit basis.

The Hon. A. A. Lewis: What about the figures for the 31st October?

The Hon. T. O. PERRY: This is as at today's date.

The Hon. A. A. Lewis: I am talking about Australian Meat Board figures.

The Hon. T. O. PERRY: We must take the average.

The Hon. A. A. Lewis: Mr Wordsworth explained about that!

The Hon. T. O. PERRY: I thought the classical statement by Mr Lewis last night was when he told Mr Cooley that meat prices would be dearer to the Western Australian consumer when only minutes earlier he had castigated the scheme on the basis that it would fall, and bring about lower meat prices.

The Hon. A. A. Lewis: I suggest you check the *Hansard* record, as I have just done.

The Hon. R. Thompson: Have you changed your speech?

The Hon. T. O. PERRY: I may be mistaken.

The Hon. A. A. Lewis: You have spent your time mistaking what I said last night.

The Hon. T. O. PERRY: I believe we must establish a supply management scheme. We have seen such schemes work with wool and other farm commodities, when a regulated supply to the market is required.

The Hon. G. W. Berry: It is working well with wool.

The Hon. T. O. PERRY: Yes, it is; in fact, I believe the price being paid for wool would be much lower than it is, were it not for the supply management scheme now in operation.

But of course if those engaged in the production, slaughtering, and selling side of the industry are determined and in fact encouraged to sabotage the scheme by making disparaging remarks about the proposal, it will not work. I believe other speakers have covered most aspects of the legislation. I happily support the Bill.

THE HON. D. K. DANS (South Metropolitan) [4.51 p.m.]: I support this Bill as it represents an attempt to do something for the beef industry. It may work, and it may not. I believe the question we are discussing is an economic one.

However, one thing disturbs me. Certainly, I will not be one of those people knocking the scheme; in fact, I think we should be encouraging it. But I have had the opportunity—perhaps as other members have had—to discuss the scheme with leading members of the Australian Meat Board, who see the scheme not only as falling but also as being a disaster for the future of

the Western Australian beef industry. I hope they are wrong.

The Hon. N. McNeill: I am sorry; did you say the scheme will be a disaster?

The Hon. D. K. DANS: Yes.

The Hon. C. R. Abbey: Would you qualify that statement?

The Hon. D. K. DANS: I do not want to mention names. Perhaps I have misinterpreted Mr Abbey's interjection; I will qualify my statement as I go along.

The Hon. N. E. Baxter: If you say it will be a disaster—

The Hon. D. K. DANS: It appears my remarks have been misinterpreted by members opposite. I repeat that I have had the opportunity to discuss this proposal with leading members of the Australian Meat Board who see this scheme not only as failing but also as being a disaster for the future of the Western Australian beef industry. I also repeat that I hope they are wrong.

I believe we should be lending our weight to the scheme by encouraging people to believe it is going to work. However, there is one problem to consider. I have heard a great deal of comment about socialism and all the other kinds of "isms". Of course, the people who make these comments never qualify their remarks by saying what kind of socialism they are talking about. They may be talking about Utopian socialism; I certainly do not subscribe to that philosophy. I, perhaps, subscribe to a scientific socialist philosophy, which is a completely different approach from that adopted by the Utopians among us, on both sides of the Chamber.

We live in a market economy situation, and the Government is broaching a very complex question in that situation by bringing in a scheme to rationalise the beef industry; of course, in that context "rationalise" means to withhold beasts from the domestic market. Members have commented that such schemes work well with wheat and wool, but I do not see that as being any recommendation. A farmer can place wheat in a silo and under some circumstances keep it there until he finds a market. Wool can be purchased and stowed away for a considerable time, until the market situation improves; it can then be sold to recover the costs. However, I do not believe we could do the same with beef.

The Hon. T. O. Perry: In a favourable situation one could keep beef cattle on the farm for a few weeks, without any trouble at all.

The Hon. D. K. DANS: The honourable member has supplied me with the answer; it can be kept for a few weeks without any trouble.

One of our problems has been caused by one part of the world stowing away a mountain of beef; that situation still

applies and it does not look like changing in the foreseeable future.

To return to the market economy situation to which I was referring, I believe members should think carefully about this aspect of the problem, because it represents a very important part of our economy. Our fellow Australians are entitled to receive an adequate return for their labour. But in a market economy situation, once we start interfering with the market we create problems.

In a recent debate I used the phrase, "It is like walking on a water bed." That phrase can be applied just as well to this situation. One walks down to one end of the water bed and all the water is pushed to the other end; then, when one runs to the other end, the water is pushed to the opposite end of the bed.

The Hon. W. R. Withers: You must have had some fun!

The Hon. D. K. DANS: I said, "walking". Whilst I appreciate the interjection, we are dealing with a very serious subject. What is going to happen as a result of this scheme? I think we should keep these things very firmly in our minds. If we withhold beef, and various economic circumstances over which we have no control arise on the world market, what will be the situation?

The Hon. T. O. Perry: Do you realise that this scheme is to apply only to the local market?

The Hon. D. K. DANS: I repeat that market forces throughout the world, over which farmers down on the cattle stations and others in Western Australia have no control could create many problems. What will happen in a situation where there is a glut of cattle? Despite the fact that tags and other brakes and hurdles will have been imposed upon the industry, can members honestly say that such a situation would not be disastrous? I am only alerting members of this Chamber, particularly members on this side of the House, to some of the problems and possibilities inherent in this legislation.

I do not see how we can make an analogy between beef, wool and wheat because they are different commodities. It is similar to the muddled thinking we experienced in regard to the north-west shelf, where some people had the impression that gas is the same as oil and that we could simply pipe the gas across to Dampier, put it in tanks and store it until it is ready to be sold. It is nothing like that at all, because we are locked into an economic situation which is affecting the entire world.

By imposing higher and higher tariff restrictions on the import of Japanese motorcars, Japanese businessmen have quite correctly reacted by imposing import restrictions against our beef. I note that

the IAC report published recently suggests even higher tariffs on Japanese cars in order to satisfy the demands of the Australian motor industry, both management and union.

The Hon. W. R. Withers: The Japanese sell their beef for \$Aust35 a kilo in their own country.

The Hon. D. K. DANS: What they do with the commodity after they have purchased it is their own business; I do not care if they purchased one tonne of beef and sold it at \$1000 a kilo, because that would not affect the people about whom we are talking. We have many people in this industry who probably have no proper economic knowledge and—I hate to say it—should not be in the industry.

People who are skilled in the production of beef know that to be true, and probably that is the basic reason that we are in this situation today. I have heard a figure mentioned—though I do not know whether or not it is correct—by people who have studied this situation and who feel that probably 800 producers in this State should go out of the industry.

I have heard that 30 per cent of the beef producers produce 70 per cent of the beef; which leaves 70 per cent of the producers producing 30 per cent of the beef. Members can draw their own conclusions from that.

I am still not convinced that it is not possible under some circumstances to import beef by road into this State. I was told by a person in the broken meat trade that when the previous scheme was getting under way—and I am sure Mr Abbey would know about this—meat was in fact imported into the State.

The Hon. C. R. Abbey: Some of it.

The Hon. D. K. Dans: Even if it were only some meat that was imported, it is still not good.

The Hon. C. R. Abbey: It cost about 70c a pound.

The Hon. D. K. DANS: I believe it was landed here and placed in the butchers' shops cheaper than we were able to produce it. This seems unbelievable to me. I do not think we can by a wave of the wand say that we cannot bring beef in from other States. I do not think we can say that because we are bringing in this scheme it will work; although, I hope it will work.

It is a genuine attempt by people who are best qualified to bring in a scheme. If I were asked to lend my weight to a scheme it is on the side of this scheme that I would have to come down. It will, however, need the support of the entire community, because the dangers I have mentioned are very real. It is no good trying to minimise them because they do exist. I would not like to think that the Australian Meat Board talks would not

want the scheme to succeed. The scheme will be drawn up by people of quality.

The Hon. C. R. Abbey: A lot of them have too narrow a view.

The Hon. D. K. DANS: I am not firm on these issues, but I think we should discuss them and think about them, particularly when we have experts in the field saying to me—who is not interested in the beef industry; and to others in the community who are interested in the beef industry—that this scheme is not going to work.

Once we sow the seeds of doubt and apprehension we are getting off to a bad start. The inherent dangers in the scheme were mentioned to me, even though I did not raise the issue. I suppose I could refer to one of the problems with which we are faced and say that when we get into a market economy situation—an unplanned economy situation—we have to reach for the holster; and I now refer to a little bit of selective socialising. In the final analysis we must do this.

I am not naive enough to believe that all the beef producers are in trouble, but the problem they face is no different from the problem faced by the goldminers in Kalgoorlie who are expecting the sack; it is no different from the problem faced by the people in my own area, where a number of big projects are coming to an end in Kwinana. These people face a dismal future, and the only scheme from which they will get any relief is the social service scheme. Once again, I would say that the problem facing the beef producers is no different from that which faces the 300 workers in the Metropolitan Water Board.

So while we may belong to different political parties and have different philosophies, when it comes down to a thing like this there is a certain amount of unanimity. However, it does depend in which corner of the ring one is standing.

What we are trying to do for the people in the beef industry is something that we should be doing for all the people in the community; for those who are caught up in the present economic crisis—I refer to the goldminers in Kalgoorlie, the workers in the Metropolitan Water Board, construction workers, people in the rural towns; those who have not caused the present economic crisis.

It is not their fault, but unfortunately they are caught up in the scheme of things because we have an unplanned economy; because we do not do the things we should to ensure that every Australian, wherever he may live and work, receives a fair return for his labours. We should ensure that not only does he receive a fair return for his labours, but that he should be able to look forward with confidence to the future and should be able to say to himself, "I am never going to be subjected to a 100-hour week this week, or to have to pay X dollars per kilo for beef

next week; but rather in the long term I can look forward to continued employment and have the kind of work I enjoy doing; the kind of work I like."

If the kind of work he likes is farming and producing beef, well, that is the type of work he should be doing. It should be abundantly clear to all of us now that the day is not so far distant when we must collectively think about economic planning. We have heard so much about the different "isms", but I do not think this is socialism; it is just sound common sense.

It seems to me that for the most part the position is that we suddenly find several goldmines and turn out 500 geologists, and when things get slack in the goldmining industry we do not know what to do with the geologists. The same applies to buildings and the number of architects we train. We just do not know what to do with them when we reach the trough.

With forward-thinking we could overcome some of these problems. I am only throwing these suggestions in to show what could happen down on the farm. I know it is easy to speak about what could happen; and I know it is difficult for Mr Abbey to outline the difficulties in the industry, because he has been his own man for many years and it is possible that he and others like him perhaps do not like what I am saying. However, I am sure they like less the things they have to do and say now; but they are competent enough and forward-thinking enough to appreciate that new approaches must be made to these aspects. We will never return to the halcyon days.

We are learning that it is better to have an even growth spread over a long term which will protect the rights and endeavours of everyone; rather than have a stop-go kind of economy such as we have today. When one reads about the difficult conditions being experienced by members of our rural community—and beef producers in particular—one wonders whether there are possibly too many people in the beef industry.

I certainly would not like to have the task of approaching a person in the industry—no matter how badly he was doing—and having to say to him "We have just set up a Government committee to have a look at the industry and your name has come out of the hat. This means you will be out of the industry tomorrow." Perhaps this may have to be done; I do not know. In the meantime we can only try procedures and remedies that may assist.

I do not want members to think that in supporting this Bill it is my intention to be a killjoy; I have merely tried to point out that problems do exist; that it is not downhill all the way; that when we hit the bottom of the hill it may be very difficult to push the toboggan up again.

I am not the only person who realises these problems exist. I know that those who take an interest in these matters in this State are fully aware of the problems involved; they understand them; and I think the majority of the producers understand very well the problems and the dangers that are inherent in the industry.

It would seem that the majority of the producers are in favour of the scheme. I do not believe it is only a minority who want the scheme to go ahead. I think they see in it at least a chance to do something constructive, and irrespective of our political ideology we should go out and give it all the support we can. We should not fall for the false rumours that fly around; and I have already mentioned some of these. Perhaps Mr Abbey will be able to tell me whether or not these rumours are more widespread than we think.

However, unless we try a remedy we do not know whether it will work. With this legislation we are, at least, trying something.

The other side of the coin would be to sit flatfooted, in which case we would not be sure of the result.

I commend the Bill and I hope it passes speedily. I also trust that what it seeks to achieve meets with some success.

THE HON. N. McNEILL (Lower West—Minister for Justice) [5.10 p.m.]: I think the second reading debate on this Bill has been one of the most interesting I have witnessed in this session; because we have had a considerable divergence of opinion from each side of the House. I say this because the words used by Mr Dans are still ringing in my ears; and I do not mean that in any critical sense.

The Hon. D. K. Dans: I hope I have not been talking too loud.

The Hon. N. McNEILL: Perhaps it was more apparent because Mr Dans was the last speaker. In my own mind I feel there is a certain affinity between what Mr Dans has had to say and that said by Mr Lewis; except that their conclusions will be completely the opposite—Mr Lewis intends to oppose the Bill and Mr Dans intends to support it.

Without doing either of them an injustice—and that certainly is not my intention—I do feel there is a considerable similarity in their thinking.

The Hon. A. A. Lewis: Two great minds think alike!

The Hon. N. McNEILL: Great, perhaps, in both the literal and metaphorical sense.

The Hon. D. K. Dans: That was very well put.

The Hon. N. McNEILL: Inasmuch as it has fallen to me to reply to the debate, I daresay it is my function to see that the Bill goes through speedily, and it may be

pointless for me to take time out to examine, to any great extent, what has been said.

However I feel it is my role to make some observations on the remarks that have been made.

I refer again particularly to Mr Dans because he is the person who is outside the industry looking in, and what he says has, I believe, some relevance—not that I agree with it necessarily, but it does have relevance.

Mr Dans talked about our having an unplanned economy, and he raised virtually an appeal for more planning. Let me interpose and say it would have to be total and absolute planning for it to be effective, otherwise it would result in a situation similar to that described by Mr Dans of the person walking on the water bed. As other speakers have said, I feel there is a real virtue in talking about planned economy at the point of supply management. Reference has been made to other major industries in Australia and I am sure members would agree that these would not be successful if they proceeded along an unplanned and unco-ordinated track.

The Hon. D. K. Dans: All the successful industries are planned.

The Hon. N. McNEILL: That is right. There is one thing that is fundamental and that is there remains to them an element of choice to elect to make decisions for and on behalf of those engaged within the particular industry. Mr Dans spoke about goldmines being discovered and about 500 geologists being trained and eventually being redundant, but surely one of our fundamental rights is to be able to elect to make a decision.

The Hon. D. K. Dans: I was not going to interfere with that. These things are never pointed out at the time, though.

The Hon. N. McNEILL: Reference was made to forward planning and forward thinking. Several members mentioned this, irrespective of their views on the Bill. The problem in an agricultural industry is to what extent that planning and thinking will in fact achieve its objective.

The Hon. D. K. Dans: Wheat and wool are completely different.

The Hon. N. McNEILL: The complete uncertainty about the whole exercise involves the forward planning and thinking and whether it will achieve its objective. In the absence of any absolute certainty, surely we must endeavour to assist those people who are deserving of assistance. I will not argue as to whether the majority of farmers and people want this legislation or whether it will completely satisfy everyone. My situation at the moment, as the Minister representing the Minister for Agriculture, is to ensure that this legislation is passed. My problem at the weekend when

I return to the farm and wonder now I will dispose of those next two truckloads of cattle, will be tackled from a completely different point of view.

That is the situation and not necessarily because of anything for which this country has been responsible. I agree with Mr Dans that the present situation has been brought about by economic circumstances. This is not a new statement. It has been said by people far more knowledgeable and expert than I am on these matters.

We would like to be absolutely confident that the Bill will be successful and will result in a good financial return for the farmers and producers concerned. That surely is our objective. I agree that in order to be confident we will achieve our objective, we might have to control a great number of things which are very difficult to control.

Reference has been made to the prices of meat in other States and the returns obtained in those States. Mention has also been made of importation of some meat into Western Australia during our difficult times when prices were at such a level that importation was encouraged.

This is a tremendously complicated and complex problem. However, we can be satisfied about one thing, and this is the greatest thing that can be said for the Bill. We have a sufficient number of people in Western Australia—as has been represented to the Government through the Beef Industry Committee—who believe that a measure of this nature will be of a considerable financial benefit to them.

Not to implement the Bill would necessarily mean we would do nothing. Neither Mr Dans nor Mr Lewis would subscribe to a policy of *laissez-faire*.

Mr Lewis asked whether there was anything we could do to rectify the situation in the short-term period. I hope his remark was not misinterpreted.

The Hon. A. A. Lewis: We have already tried two schemes.

The Hon. N. McNEILL: I was referring to the last 20 minutes of the speech Mr Lewis made last night when he queried whether in the short term there was anything we could do which would be effective.

The Hon. A. A. Lewis: There isn't.

The Hon. N. McNEILL: In that context let us consider what Mr Wordsworth said last night. I thought he made a valid comment in relation to the vealer animals and to a reduction of the supply. Unfortunately I do not necessarily regard such a policy as being desirable because I do not subscribe to the belief that we can do with a reduced number of producers in Western Australia or a lower production of beef. If we adopt that attitude we are doing so on the basis of forward planning and in the belief that there will be a definite market available to us in some part of the world at

a particular price. However, we do not know that.

The Hon. D. K. Dans: We have no way of knowing.

The Hon. N. McNEILL: There are many members in this House who have had a long experience in these matters, but would any one of them venture an opinion as to the future situation? If any member did this he would be bound to be wrong. Any-one can claim to be an expert in a field like this.

The Hon. A. A. Lewis: Most do.

The Hon. N. McNEILL: That is right. Regrettably all those involved do not have the necessary knowledge to make such a prediction, because one vital piece of information which is absolutely necessary involves that element of choice. Some people do not even want to know all that is necessary for their own future well-being.

We know that the situation could change virtually overnight as it did in relation to wool. I was one of those at the time who had no real expert knowledge to back me up and I could not see into the future. However, how rapidly the situation changed; and then, within 12 months, it changed again the other way. Who could see into the future in regard to wheat a few years ago when we introduced restrictions and quotas? At that time the future looked absolutely dismal, but we all know the present situation.

The Hon. A. A. Lewis: Can you get away from supply and demand?

The Hon. N. McNEILL: I do not know. I do not believe we can consider the aspect of supply and demand in isolation. We cannot isolate one particular commodity from the economic circumstances elsewhere in the world, from the marketing situation, from the tariff situation mentioned by Mr Dans, or from the prosperity of the mining industries. They cannot be separated.

The Hon. D. K. Dans: They are inseparable.

The Hon. N. McNEILL: I do subscribe to the basic belief espoused by Mr Lewis. I do believe we must give due recognition to the laws of supply and demand. In that respect I am a traditional economist, to the extent that I am an economist which is perhaps debatable.

Mr Lewis placed a great deal of emphasis on what he described as the socialist approach of the legislation and I would be remiss if, in replying to the debate, I did not refer to this aspect. I will not argue whether or not his is a correct interpretation. However, I must ensure that the socialistic view is not passed down the line to the members of the Beef Industry Committee.

The Hon. A. A. Lewis: It is a Government responsibility.

The Hon. N. McNEILL: That is exactly the point I intended to make. The responsibility for this Bill rests with the Government. If there is any truth in Mr Lewis' comment—which I do not admit—we must ensure that that approach is not passed on down the line to members of the committee.

The Hon. A. A. Lewis: The committee was not mentioned in the whole of my speech. It was the Government that was criticised.

The Hon. N. McNEILL: I was just emphasising the point. As I said when I commenced my speech perhaps there is little point in my speaking at any length. However, Mr Lewis referred to the fact that we have had already two exercises which have failed. Once again I am not sure that I can completely agree that they failed. Perhaps they did not meet with total success, but I am not even prepared to state the degree of success which was achieved. With what do we measure the success of those schemes? They have resulted in some satisfaction to a large number of farmers and therefore they can be claimed to have been successful to that extent. I can see from the horrified look on Mr Lewis' face that they were not successful for other people. I must certainly acknowledge that fact.

When the initial legislation was introduced it was advocated it should operate on a voluntary basis. The question was raised as to whether it was necessary for it to be made statutory. I think I should remind members that one of the reasons, if not the essential reason, it was made statutory was the implication of the trade practices Act.

When, into the melting pot concerning control or lack of control was tipped by the bucketful the provisions of the Trade Practices Act, and all the other influences which can be brought to bear, it was obvious that legislation was necessary. That was the reason the problem could not be handled on a purely voluntary basis. Whether or not the scheme would have worked on a voluntary basis is another argument altogether. I would have had reservations about it.

I do not think I can say anything more worth while at the moment. I am far less equipped than many other members in the Chamber to survey and analyse the conduct of the beef industry in Western Australia. I can only hold views as can other people.

Therefore I will close by thanking members for the interest they have taken in the debate and the contributions they made to it. They demonstrated that on a subject like this divergent views can be thrown into the ring—if I may describe

this Chamber in that unparliamentary fashion. Those views certainly will be noted and will be borne in mind if at any time the legislation is repealed. It has been indicated that if more normal conditions are restored in the industry, the need for this legislation will no longer exist because the type of control it provides will not be required.

With those words, I again thank members for their contributions to the debate on the Bill which I commend to the House.

Question put and passed.

Bill read a second time.

In Committee

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

Clauses 1 to 6 put and passed.

Clause 7: Section 8 amended—

The Hon. C. R. ABBEY: This clause applies to the ability of the committee to set prices for slaughtered cattle for local consumption. It is actually the crux of the Bill and a provision which is very necessary. It is fortunate that in Western Australia we have a forward-looking community which does not take the narrow view of those people who made the comment Mr Dans mentioned in his second reading speech. In Western Australia we are prepared to "give it a go". We have given to the Eastern States many leads in this type of legislation and I am sure we will see them following us at some future date.

Clause put and passed.

Clauses 8 and 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.

House adjourned at 5.34 p.m.

Legislative Assembly

Thursday, the 6th November, 1975

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

SWEARING-IN OF MEMBER

THE SPEAKER (Mr Hutchinson): I have to announce that I have received the writ issued for the electoral district of Greenough, and from the returns endorsed thereon it appears that Mr Reginald John Tubby has been duly elected

to serve in the Legislative Assembly as member for the electoral district of Greenough. I am now prepared to swear in the honourable member.

The honourable member took and subscribed the Oath of Allegiance and signed the roll.

QUESTIONS (35): ON NOTICE

1. ENVIRONMENTAL PROTECTION

Cockburn Sound: Industrial Effluent

Mr A. R. TONKIN, to the Minister for Conservation and the Environment:

- (1) What wastes are discharged into Cockburn Sound by each of the following industries—

Cuming Smith British Petroleum;
Australian Iron and Steel;
Broken Hill Proprietary Ltd.;
British Petroleum;
State Energy Commission;
Cockburn Cement;
Alcoa;
Western Mining Corporation;
Kwinana Nitrogen Company;
Chemical Industries (Kwinana) Pty. Ltd.;
Commonwealth Industrial Gases;
Steel Mains Pty. Ltd.;
Newbold General Refractories Ltd.?

- (2) If the Minister is unable to provide the public with these details, I would remind him that they were promised "in due course" by his predecessor in question 19 of 11th September, 1974, and ask when such vital information will be made available?

Mr P. V. JONES replied:

- (1) and (2) As previously advised, much of this information will be contained in the report commissioned by the Environmental Protection Authority.

The report is expected to be presented shortly but I cannot yet advise when or whether the report will be made public.

2. NATIONAL PARKS AND RESERVES

Commonwealth Grants

Mr A. R. TONKIN, to the Minister for Conservation and the Environment:

Why did the Western Australian Government fail to obtain funds for national parks and reserves under the State Grants (Native Conservation Act) for the financial year 1974-75?