

The MINISTER FOR TRANSPORT: The Bill will be distributed this evening before members leave. The position is not exactly as the hon. member suggests. In another place the Bill was presented and that was the first opportunity members had of seeing it and studying it. But the substance of the Bill and the tenor of the debate will be available to all those members who wish to follow it in another place and through the Press, and there will not be the same novelty about it when it comes to this place as when it went to the Assembly. As we know from experience, there are fewer members who wish to debate a Bill in this Chamber as compared with those in another place and I am confident that there will be ample time for members to acquaint themselves with the terms of the measure and become thoroughly conversant with the different clauses and the details of the schedule. I hope members will accept the motion, in the hope that we can get the Bill through and finalise it.

Question put and a division taken with the following result:—

Ayes	11
Noes	10
Majority for	1

#### Ayes.

Hon. L. Craig	Hon. Sir Chas. Latham
Hon. J. A. Dimmitt	Hon. H. S. W. Parker
Hon. R. M. Forrest	Hon. C. H. Simpson
Hon. H. Hearn	Hon. F. R. Welsh
Hon. C. H. Henning	Hon. Sir Frank Gibson
Hon. J. G. Hislop	(Teller.)

#### Noes.

Hon. N. E. Baxter	Hon. E. H. Gray
Hon. G. Bennetts	Hon. L. A. Logan
Hon. R. J. Boylen	Hon. A. L. Loton
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. G. Fraser	Hon. E. M. Heenan
	(Teller.)

Question thus passed.

House adjourned at 6.9 p.m.

# Legislative Assembly

Wednesday, 12th March, 1952.

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The SPEAKER took the Chair at 3.30 p.m., and read prayers.

## AUDITOR GENERAL'S REPORT.

### Section "B", 1951.

The SPEAKER: I have received from the Auditor General a copy of Section "B" of his report on the Treasurer's statement of the Public Accounts for the financial year ended the 30th June, 1951. This will be laid on the Table of the House.

**QUESTIONS.****FREMANTLE HARBOUR.**

(a) *As to Further Tests for Pollution.*

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Will he reply to (3) of the question asked by me on the 9th October, 1951, and replied to by way of a return laid on the Table on the 27th November, 1951, but which did not answer (3)?

(2) Also as regards (7) of the same question, seeing the Harbour Trust has a full-time diver employed, why cannot a sample of the sludge be taken?

The MINISTER replied:

(1) The examination of samples from the Fremantle Harbour followed the regular practice for water testing.

(2) It is not considered that further testing of sludge on the bed of the harbour would serve any useful purpose.

(b) *As to Copies of Tabled Report.*

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Is he aware that local government bodies have not been able to obtain a copy of the report on water samples of the Fremantle Harbour tabled by him in the House on the 27th November, 1951?

(2) If so, what is the reason?

(3) If not, will he see that local government bodies interested are provided with a copy?

(4) If not, why not?

The MINISTER replied:

(1) Copies of report are available on request by official bodies.

(2) Answered by (1).

(3) Yes, if they apply.

(4) Answered by (3).

(c) *As to Living Organisms in Tests.*

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Will he have laid on the Table of the House, Public Works Department Graph No. 31431, also details of the recent tests referred to by him in the Press on the 13th and 14th February, 1952?

(2) Will he explain to members of the House why the living organisms principally responsible for phosphorescence in the summer months—namely a protozoa called *Noctiluna*—have been wholly or partly excluded from the details of the number of living organisms in these tests?

(3) Does not the same apply to reports of water samples of Fremantle Harbour tabled on 27/11/1951?

The MINISTER replied:

(1) Yes. Plan 31431 will be laid on the Table of the House, but as it is in constant use it can be made available only for a short time.

Test results will be supplied.

(2) The testing of samples of Swan River water follows the recognised practice for determination of its purity.

The total count of all organisms is taken without individual identification, but the degree of pollution by known harmful organisms is separately ascertained.

(3) Fremantle Harbour samples were similarly analysed.

**HOUSING.**

(a) *As to Evictions and Magisterial Discretion.*

Mr. LAWRENCE asked the Minister for Housing:

(1) Is it a fact that executive officers of the S.H.C. consider that the present Act covering evictions should be amended to allow some discretionary power for magistrates?

(2) If the answer is no, will he make some inquiries re same?

The MINISTER replied:

(1) and (2) This Act is not administered by the State Housing Commission but the Chief Secretary and the question involved is one of policy.

(b) *As to Commonwealth-State Rental and Workers' Homes, Priorities.*

Mr. NEEDHAM asked the Minister for Housing:

If an applicant for a Commonwealth-State rental home was not successful prior to the completion of the present contracts, would his subsequent application for a worker's home be considered as from the date of his application for a rental home?

The MINISTER replied:

Yes.

(c) *As to Pre-fabricated Homes and Building Standard.*

Mr. J. HEGNEY asked the Minister for Housing:

I refer the Minister to the statement that appeared in "The West Australian" dated Tuesday, the 26th February, 1952, in heavy block type lettering—"Government Over-rides Board on Houses."

(1) Is he aware that executive officers of the State Housing Commission met members of the Belmont Park Road Board recently, and arising out of the conference an undertaking was given that where these Austrian type pre-fabricated houses were being erected, they would be worked in between buildings of a better type, thus maintaining a conventional building standard?

(2) If he is, or is not, aware of this undertaking, will he make it his business to become acquainted with it and see that the terms of it are carried out?

The MINISTER replied:

(1) Arising out of the conference the Chairman and officers of the Commission had with members of the Belmont Road Board it was arranged that in areas in the Belmont district where the Austrian type pre-cut homes were to be erected the distribution would be on the basis of an average of one to every three allotments and that on adjoining blocks other types of timber-framed homes would be constructed and that the Commission would preserve the highest standard possible, having in mind increasing cost. This arrangement is being followed.

(2) Answered by (1).

(d) *As to Commonwealth-State Homes, Tenants, Rentals and Trust Fund.*

Hon. J. T. TONKIN asked the Minister for Housing:

(1) What is the number of tenants in occupation of Commonwealth-State rental homes?

(2) How many of such tenants are paying concession rentals?

(3) What is the amount at credit in the trust fund established for the repair and maintenance of rental homes?

(4) What amount has been expended from the fund since its establishment?

(5) What was the expenditure from the fund for the years ended the 30th June, 1950 and 1951?

The MINISTER replied:

(1) 4,674 as at 31/1/52.

(2) 107 as at 31/1/52.

(3) £42,962 as at 30/6/51.

(4) £27,245 19s. 8d. to 30/6/51.

(5) 1949/50, £5,927 19s. 10d.

1950/51, £17,155 3s. 9d.

(e) *As to Sale of Land, East Fremantle.*

Hon. J. T. TONKIN asked the Minister for Lands:

(1) Is it a fact that the Government has now decided to sell land in East Fremantle in proximity to the Leeuwin Naval Station which had been set aside for workers' homes and subsequently for war service homes?

(2) What is the reason for the change of policy?

(3) What area of land elsewhere in the East Fremantle Municipality has been set aside for workers' homes?

(4) Is the Government opposed to the erection of workers' homes and war service homes on land with river frontages or views?

(5) When was the land in question first set aside for workers' homes, and when was it decided to restrict its use to that of sites for war service homes?

(6) On what date was it decided not to use the land for war service homes, but to sell to private buyers?

(7) How does the Government reconcile its policy of disposing of land set aside for workers' homes or war service homes with its declared intention, as expressed in recent legislation, to concentrate on the building of such houses?

(8) Will the Government reconsider the decision to sell the land with a view to adoption of a more enlightened policy on sites for workers' homes and war service homes?

The MINISTER replied:

(1) No.

(2) No decision has been reached. The question of the price of the land is the subject of negotiation between the Minister for Housing and myself.

(3) Four blocks.

(4) No.

(5) February, 1943, August, 1950.

(6), (7) and (8) Answered by (2).

(f) *As to Finance for Purchase of Rental Homes.*

Mr. J. HEGNEY asked the Minister for Housing:

(1) Is he aware—

(a) that many ex-servicemen and others have received advice from the State Housing Commission informing them of the purchase price of the houses of which they are the tenants?

(b) that such persons were advised that the Commission would be prepared to finance eligible applicants under the provisions of the State Housing Act or the War Service Homes Act?

(c) That such offer is conditional upon settlement on or before the 31st March, 1952.

(d) that the persons to whom the offers were made, called at the office of the Commission to take advantage of such offer, but are now informed that no financial accommodation is available until after June, 1952?

(2) In view of the foregoing will the Government agree to the deferment of the opportunity of the applicants concerned until finance is available under the Acts referred to in 1 (b)?

The MINISTER replied:

(1) (a) Yes.

(b) Prior to the recent restriction on loan funds, tenants were advised that purchase could be arranged under the provisions of the State Housing and War Service Homes Acts.

(c) Current offers were conditional upon settlement by the 31st March, 1952.

(d) Those persons who indicated their desire to proceed have been informed that funds are not available during the balance of this financial year for purchase of Commonwealth-State rental homes, but their applications for financial assistance are being recorded for consideration when the loan position for next financial year is known.

(2) Yes. If no other finance is available to the applicant.

(g) *As to Commonwealth-State Homes, Rent Formula.*

Hon. J. T. TONKIN asked the Minister for Housing:

(1) When was the formula in the Commonwealth-State Rental Homes Agreement, upon which the economic rent was to be calculated, first altered?

(2) For what reasons was the alteration made?

(3) Was the alteration intended to have retrospective application?

(4) Will he make available particulars of the amendments to the agreement and the respective dates when they were made?

The MINISTER replied:

(1) 11th January, 1951.

(2) To cover the increase in the cost of administration.

(3) No.

(4) First Schedule.—Clause 1—Amended 26th November, 1948. By inserting after subparagraph (g) the following paragraph:—

(h) Any interest paid or payable by the housing authority on the costs incurred or assessed under (c), (d), (f) and (g) of this paragraph.

Clause 1—Amended 11/1/1951 by the addition of a new subparagraph:

(i) If in any financial year the housing authority in respect of any housing project expends any amount for any purpose such as the supply of imported materials, the use of new materials, or new building methods, the acceleration of the carrying out of the housing projects, or any like purpose, and the housing authority is satisfied that the expenditure aforesaid on the housing project is greater than would otherwise be the case, the housing authority may apportion such part of the additional expenditure so incurred towards the capital cost of any other housing projects constructed or partly constructed during that financial year.

Clause 2—Amended 11/1/1951. By the addition of a new subparagraph:

(d) The provisions for the calculation of the capital cost of a dwelling as set out in the subparagraphs (a), (b) and (c) may from time to time be varied in respect of any particular State by agreement between the Treasurer of the Commonwealth and the Treasurer of the State.

Clause 4—Amended 11/1/1951 by substituting for the present subparagraph (e) a new subparagraph:

(e) The amount to be included for administration shall be such amount fixed from time to time by the housing authority as is deemed by the housing authority to be necessary to meet the full administration cost of the housing authority.

Second Schedule.—Clause 5 (a)—Amended 30/12/1949 by adding thereto the following proviso:—

Provided that for the purposes of this subparagraph the administration costs of the housing authorities shall not be deemed to include any premium or sum paid in respect of the insurance of any dwelling.

(h) *As to Commonwealth-State Homes, Loss.*

Mr. MAY asked the Minister for Housing:

Regarding the statement made by him, published in "The West Australian," dated the 1st March, 1952, that "during the past two years there had been a loss of approximately £50,000 in administering the Commonwealth-State rental agreement," will he state in what way and in what proportions this amount is made up, such as "unpaid rents," "maintenance," "administration," etc.?

The MINISTER replied:

1949/1950—Bad debts and rental rebates, £1,902; administration, £20,062; total, £21,964.

1950/1951—Bad debts and rental rebates, £2,916; administration, £25,545; total, £28,461.

Grand total, £50,425.

(i) *As to Accommodation for Evicted Families.*

Hon. J. T. TONKIN asked the Minister for Housing:

For how many families, evicted after the 30th September, 1951, has the Housing Commission provided accommodation?

The MINISTER replied:

Two hundred and ninety-nine.

(j) *As to Commonwealth-State Homes, Average Rentals.*

Mr. W. HEGNEY asked the Minister for Housing:

(1) What was the average weekly rental in metropolitan area of Commonwealth-State rental homes on 31/12/1951, with respect to—

- (a) four-roomed house (wood);  
four-roomed house (brick);

- (b) five-roomed house (wood);  
five-roomed house (brick)?

(2) What are the present corresponding weekly rentals?

The MINISTER replied:

(1) and (2) Average weekly rental in metropolitan area of Commonwealth-State rental homes—

	31/12/51	28/1/52
	£ s. d.	£ s. d.
Brick house—		
Four-rooms ....	1 15 0	1 19 1
Five-rooms ....	1 18 11	2 2 3
Timber house—		
Four-rooms ....	1 14 4	1 17 8
Five-rooms ....	1 17 0	2 0 3

CEMENT.

*As to Supply and Distribution.*

Mr. HOAR asked the Minister for Housing:

(1) Is it a fact that no locally manufactured cement is being railed to country districts, and that cement can only be taken from the works by road transport?

(2) That almost all such cement is distributed almost exclusively to the metropolitan area, thereby depriving country people of any sort of share in the locally made product?

(3) That nearly all applications for cement releases in the Lower South-West this year have been refused by the Housing Commission and as a consequence, many dairy farmers cannot bring their dairies to the standard set under the Health Act unless they are prepared to buy the higher priced imported cement, if such is obtainable? ?

(4) Does he not think there ought to be a fairer distribution of local cement, and will he make representations in this direction?

(5) Are any plans being implemented to increase the supply of cement in this State; if so, how long will it be before results are achieved, and what is the extent of increase anticipated?

The MINISTER replied:

(1) No. Supplies have and still are being railed direct ex works as stocks allow. In addition, some merchants have been ralling per merchandise trucks from Perth station to their country agents.

(2) Answered by (1).

(3) Not correct. An allocation of 50 tons per week is released by the State Housing Commission upon sponsorship of the Agricultural Department and Milk Board to dairy farmers.

(4) Distribution is governed by output.

(5) A fourth kiln is expected to be in production in June, 1952, which will increase output by an estimated 5,000 tons for balance of year. Arrangements have been made by the Government in conjunction with merchant interests to import a regular monthly supply to meet the local demand.

STATE SHIPPING SERVICE.

*As to Charter of "Dulverton."*

Mr. RODOREDA asked the Premier:

(1) Has finality been reached in negotiations for renewal of charter of "Dulverton"?

(2) If not, what is the position?

The PREMIER replied:

(1) The Government has made representations to the Prime Minister to retain the "Dulverton" but has not yet received a reply.

(2) The "Dulverton" is sailing for Northern ports on the 22nd March.

FREMANTLE GAS COMPANY.

*As to Increased Charges and Profits.*

Hon. J. B. SLEEMAN asked the Minister for Works:

(1) Is he aware that the cost of gas supplied from the Fremantle Gas Works has been increased several times lately?

(2) Will he inform the House whether all the increases have been approved by the State Electricity Commission?

(3) If so, are they aware of the increased profits made by these works for the last year?

The MINISTER replied:

(1) Yes.

(2) The Commission has no authority to approve or disapprove.

(3) See (2).

EDUCATION.

*(a) As to Shortage and Cost of Classrooms, etc.*

Hon. J. T. TONKIN asked the Minister for Education:

(1) What is the estimated shortage of classrooms to meet present requirements on the basis that no class exceeds 50 in number and the leaving age remains at 14?

(2) What is the number of buildings belonging to others which are being used as classrooms by the Education Department?

(3) What is the average cost per classroom on present prices for the erection of—

(a) brick buildings;

(b) prefabricated buildings?

(4) What is the number of prefabricated classrooms for which firm orders have been given for delivery this financial year, but which have not yet arrived? What number of prefabricated classrooms has been delivered but not yet erected?

(5) Is shortage of loan money now a factor in limiting the number of school buildings to be provided?

The MINISTER replied:

(1) The extraordinary annual increases in school attendance during the last three years varying between 3,300 and 5,200 per annum, as compared with 500 or less in the immediate pre-war and post-war years has resulted in an unprecedented demand for classrooms. Approximately 250 classrooms are therefore required this calendar year to replace buildings belonging to others and accommodate increased school numbers on the basis mentioned by the hon. member.

(2) Ninety-two.

(3) It is practically impossible to give an average cost per classroom other than Bristol prefabs., which cost approximately £3,200 each classroom, as almost invariably the provision of additional classroom accommodation involves the provision also of ancillary buildings such as lavatories, shelter sheds, head teachers' offices, etc., apart from which costs vary considerably in relation to particular districts.

(4) Firm orders for 300 prefabricated classrooms have been placed for delivery this financial year, but 60 only have so far arrived. During the same period 64 prefabricated classrooms have been erected, tenders have been accepted for eight, tenders invited for 16, and the Public Works Department tradesmen have programmed for an additional 24.

Delivery is subject to rate of manufacture and shipping from England. It is expected that 40 more classrooms will arrive in the near future.

In addition, some brick and timber-framed classrooms are being erected in various places.

(5) Loan expenditure — 1950-51, £510,386. End February, 1952, £462,452.

Estimate for balance of the year, approximately £230,000, i.e., estimated total current financial year, £692,000.

(b) As to School for Osborne Park.

Mr. W. HEGNEY asked the Minister for Education:

(1) In view of the increasing population in the North Wembley and Glendale area, will he favourably consider taking all steps necessary to have a brick school building erected on the site reserved for such purpose at the corner of Dodd and Harbourne-sts., Osborne Park?

(2) Pending the building of a permanent structure will he give attention to the erection of prefabricated buildings on the site, and the opening of a school to relieve the pressure on existing schools in the vicinity, especially Mount Hawthorn?

The MINISTER replied:

(1) The question of erecting a school building on the school site in Harbourne-st. is receiving the Department's attention.

(2) Should it be decided to establish a school on this site it is probable that prefabricated buildings will be erected in view of the delays associated with the erection of buildings of the orthodox type.

#### WATER SUPPLIES.

As to Rock Catchment Surveys.

Mr. KELLY asked the Minister for Works:

(1) Is it the intention of the Public Works Department to survey the area north and north-east of Westonla, and that south and south-west from Moorine Rock for the purpose of harnessing suitable rock catchments in order to relieve the water requirements of settlers in those areas?

(2) If it is not the present intention to do so, will he give consideration to extending the survey into those areas?

The MINISTER replied:

(1) Yes. The Public Works Department would be pleased to have any information the residents may have of good rock catchments in their area.

(2) Answered by (1).

#### STATE BRICK WORKS.

As to Dr. Hueber and Minister's Statements.

Hon. J. T. TONKIN asked the Premier:

(1) Did Dr. H. V. Hueber, Senior Research Officer, C.S.I.R.O., or anyone acting officially for that organisation, make a written complaint to the Government against the criticism by the Hon. Minister for Housing in Parliament last year of Dr. Hueber?

(2) Were the Minister's statements, which were very derogatory of Dr. Hueber, true in whole or in part, or completely untrue?

(3) Will he make the correspondence available?

The PREMIER replied:

(1) I have no knowledge of any complaint to the Government against the remarks made by the Hon. Minister for Housing in Parliament last year relating to Dr. Hueber.

(2) The remarks were made as the result of information obtained by the Hon. Minister following personal inquiries made during a visit to the Eastern States, and I have his assurance that the information given to the House was correct.

#### KWINANA REFINERY.

*As to Effect on Welshpool-Bassendean Railway Projects.*

Mr. J. HEGNEY asked the Minister representing the Minister for Railways:

(1) In view of the proposed establishment and development of oil works at Kwinana, and the over-all effect such works will have on the future industrial development and expansion of industry in the metropolitan area, has the Government considered whether the areas resumed for a new railway marshalling yards in Bayswater and the proposed railway line connecting Bassendean with Welshpool, are now properly located?

(2) If no consideration has yet been given to a re-examination of this proposal, will he assure the House and the people and districts vitally interested that the Government will re-survey the position in the light of newer and important developments at Kwinana?

The MINISTER FOR EDUCATION replied:

(1) Consideration is being given to the effect of the proposed oil refinery at Kwinana on the existing plans for new marshalling yards at Bassendean and the connecting line to Welshpool.

(2) No such assurance can be given. When investigations are completed the local authorities concerned will be advised of the result.

#### BASIC WAGE.

*As to Allowance for Rent.*

Mr. W. HEGNEY asked the Attorney General:

What was the amount allowed for rent in—

(a) the last general declaration of the basic wage for the metropolitan area by the Arbitration Court;

(b) the last quarterly variation of such basic wage?

The ATTORNEY GENERAL replied:

This information is not supplied to any department other than the Court.

The Court of Arbitration when making the last general declaration of the basic wage and the last quarterly adjustment of the basic wage did not specify how much was included in each case for rent.

I am therefore unable to give the information sought.

#### MILK.

*As to Supplies and Free Scheme.*

Mr. W. HEGNEY asked the Minister for Education:

(1) Is it a fact that the free milk scheme for school children has been suspended?

(2) If so, what is the reason?

(3) Will she investigate the possibility of allocating enough milk to schools to supply the younger children who are least able to stand up to the long, hot days at school?

(4) By what percentage, if any, in supplies of milk, have caterers and milk-bar proprietors been reduced during the past three months?

(5) What is the gallonage consumed by:

(a) caterers and milk-bar proprietors; and

(b) schools?

The MINISTER replied:

(1) Yes, temporarily, during the summer months.

(2) The milk supply position and weather conditions.

(3) Until schools are fitted with adequate facilities for keeping milk in a wholesome condition it would be unwise to supply milk to schools during the hot weather—such provision would entail considerable capital expenditure. This matter is under consideration by the Education Department at the present time.

(4) From nil up to 33 per cent. depending on supplies available at the particular dairy and weather conditions.

(5) (a) Estimated daily gallonage supplied by wholesalers to caterers and milk-bar proprietors is 637, but the balance of the trade is supplied by retailers and the actual details of the balance are not available.

(b) 1,500 gallons per day.

#### TIMBER MILL, OSBORNE PARK.

*As to Report on Sawdust Nuisance.*

Mr. W. HEGNEY asked the Minister for Health:

(1) Following on her reply on the 12th December, 1951, to (3) of a series of questions asked by me relative to sawdust nuisance arising from the operations of a timber mill at corner of Main and Powell Sts., Osborne Park, will she indicate whether the Government's legal officers have yet examined the position relating to the control or removal of such nuisance?

(2) If the legal officers have examined such position, what is their opinion?

(3) If the position has not been considered, what is the reason for the delay?

The MINISTER replied:

(1) The Government's legal officers have examined the position.

(2) No control can be exercised under the Health Act unless sawmills are declared to be offensive trades.

(3) Answered by (1).

### PRICES CONTROL.

*As to Clothing and Textiles.*

Mr. W. HEGNEY (without notice) asked the Attorney General:

(1) Did the recent conference of State Ministers for Price Fixing decide that price control of clothing and textiles was to be abolished?

(2) If not, why has the Government of Western Australia relinquished price control on clothing?

(3) Is he aware that other States are reported to be continuing price control on clothing and textiles?

(4) In view of the Commonwealth Government's latest policy of restricting imports of clothing and textiles, does his Government intend to reimpose price control immediately?

(5) If not, will he explain his Government's attitude?

The ATTORNEY GENERAL replied:

(1), (2), (3), (4), (5). The Chairman of the Prices Ministers' Conference made it quite clear that three States only wished to continue with controls. So the States were evenly divided. The position in regard to clothing and textiles was fully stated by me recently and was published in "The West Australian." It is not intended to alter the position as stated in that article.

### ELECTRICITY SUPPLIES.

*As to Breakdown at South Fremantle Station.*

Hon. J. B. SLEEMAN (without notice) asked the Minister for Works:

Will he see that the exact report made by the representative of Vickers re the damaged spindle at South Fremantle power house will be given to the public without any whitewash?

The MINISTER replied:

As it is not my policy, even if it is that of the member for Fremantle, to whitewash anything, I promise to be quite frank about the whole affair.

### CHILD WELFARE DEPARTMENT.

*As to Tabling Report.*

Hon. J. T. TONKIN (without notice) asked the Minister for Child Welfare:

Is there any likelihood of the report of the Child Welfare department—which is long overdue—being tabled this session?

The MINISTER replied:

I will have to ascertain the position. Not expecting the present session, I asked for the report to be prepared for next session. However, I will see what can be done.

### BILL—INDUSTRIAL DEVELOPMENT (KWINANA AREA).

*Message.*

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

### BILL—OIL REFINERY INDUSTRY (ANGLO-IRANIAN OIL COMPANY LIMITED).

*Second Reading.*

Debate resumed from the 6th March.

HON. A. R. G. HAWKE (Northam) [3.58]: This Bill asks Parliament to ratify an agreement that has already been made between the Government and the oil company concerned for the establishment at Kwinana, near Fremantle, of a large refinery the purpose of which would be to refine crude oil brought to this State from oversea. The proposed industry is one of great magnitude and when established would easily be the largest single secondary industry in Western Australia.

There is a member in this House—I think it is the present Minister for Education—who stated, when he was a member of the Opposition some few years ago, that he never said anything in praise of a Government to which he was opposed in politics, because of a fear he had that anything said along those lines might be taken down and used as evidence in favour of the Government at some subsequent time. I do not approve of that attitude at all; I think it is a politically miserable one to adopt. Therefore, it is my intention straight away to offer my congratulations to the Government generally upon the fact that it has made an agreement with the company for the establishment of the proposed oil refinery in Western Australia.

I go further and offer my special congratulations to the Minister for Works and also the Director of Works respecting the great amount of time, effort and skill which they undoubtedly devoted to the long period over which the negotiations have taken place. I offered similar congratulations publicly to the Government some weeks ago at a time when and at a place where it might have been considered very dangerous for me to act as I did. That occasion, Mr. Speaker, was the official opening of the Labour Party's campaign for the Leederville by-election.

The Bill now before us sets out clearly the obligations that Parliament will impose upon the company on one hand and those to be imposed on the Government on the other hand, in the event of the Bill being approved by both Houses of Parliament. The company proposes to establish not only the oil refinery to which I have referred but also a construction camp to house the men who will carry out the construction of the refinery, and



construct the wharves and jetties the company will require to have established on the foreshore at Kwinana to enable its vessels and oil tankers quickly to unload their freight and to load whatever freight it may be found necessary or desirable for them to take away.

It has been broadly estimated that the company will expend £40,000,000 in establishing the industry and undertakings associated with it. That is indeed a tremendous amount of money to be invested industrially in our State—an amount far beyond anything invested previously in relation to any single industry undertaken here. In that regard, however, it has to be remembered that this company had made a decision to establish its industry in Australia. That decision was forced upon the company because of unfortunate happenings in another part of the world as a result of which it lost an oil refinery and in the process lost, no doubt, a great deal of invested capital.

Because the company had decided to establish the proposed industry within Australia, it is necessary for us to give special consideration to that angle in any attempt we make to assess what the company is proposing to do for Western Australia in establishing the industry in our State. Presumably, it will cost the company no more, or very little more, to establish its industry in Western Australia than it would cost if it established the industry in, say, Victoria or South Australia. Taking that analysis to be well justified, and I think it is, then the company is not giving anything away in establishing the industry in this State. This company is a very shrewd commercial concern and is controlled and directed by some of the best business brains in the world.

I understand that one of the reasons that influenced the directors to establish their industry in this State was the freight factor in relation to the distance their vessels and tankers would have to travel by sea to Fremantle and return to the place from which the crude oil will be brought, as against the distance that would have to be travelled in the same circumstances had the company decided to establish its industry on the eastern seaboard of Australia. I am not quite sure of the difference in distance—

Hon. J. T. Tonkin: It would be about 2,000 miles.

Hon. A. R. G. HAWKE:—but the figure I had in mind was 2,000 miles. As to whether that would be the saving in distance one way only, I am not sure. If there would be a saving in sea travel of 2,000 miles one way, then the double saving in distance covering two-way travel would be in all 4,000 miles. Naturally, a factor of that description would be one for very serious consideration by the

directors of a firm of this description. The people associated with the company are naturally anxious to make the best business deal possible in relation to any activity that they control.

I do not think anyone would suggest that the company would decide finally to establish an oil refining industry in Western Australia as against setting it up in one of the Eastern States out of any sentimental feelings or reasons on the part of those controlling the undertaking. It can be taken for granted that they have decided to establish this industry, firstly in Australia and finally in Western Australia, on a strictly commercial basis. The company is to invest £40,000,000 for the purpose of enabling that large amount of money to return the best possible dividends to those associated with it. There can be no quarrel with an attitude of that sort. That is the business of the directors. They are not only expected but are also bound to make the best investment possible and, in all the circumstances, I think they have succeeded by finally deciding to establish the industry in this State.

Mr. Yates: Is not the British Government a large shareholder in the company?

Hon. A. R. G. HAWKE: I understand so, and one would expect the directors to protect the interests of the British Government as well as those of any private shareholders who may be concerned. Briefly I have tried to indicate the extent to which the company has involved itself under the terms of this agreement.

I propose now to examine the obligations that the Government intends to place upon the State in that connection. In the first instance, and most importantly of all, the Government has undertaken to carry out dredging operations on the very large sandbanks known as Parmelia and Success, which at present lock the entrance to Cockburn Sound. According to the agreement, the Government will be bound to carry out that dredging progressively until finally there is a depth of water of 38 ft. and a bottom width of 500 ft. It has been estimated that the earlier dredging operations to a depth of about 36 ft. and a bottom width of about 300 ft. will cost £4,000,000.

The Minister for Works: In every instance the depth will be 38 ft.

Hon. A. R. G. HAWKE: We all know what estimates are and that practically every Government estimate—and I should say every private estimate—that has been put forward in recent years at any rate has been very greatly exceeded. I should think that the work about which we are now speaking would cost finally at least £1,000,000 more than has been estimated, so we can quite fairly take a figure of £5,000,000 as being the probable final cost

of dredging this channel to a depth of 38 ft. with a bottom width of 400 ft. If the bottom width is increased, as is permissible under the agreement, then the final cost of carrying out the whole of the dredging required could easily be £6,000,000, or even more.

The company has bound itself to pay annually after a certain date a sum of six per cent. on one-half of the total cost of carrying out the necessary dredging operations or £120,000, whichever is the lesser sum. If the dredging is carried out to the greatest possible extent mentioned in the agreement, the company binds itself to pay six per cent. on one-half of the total cost or £150,000 per annum, whichever is the lesser. To that extent the Government will be receiving interest and perhaps some measure of sinking fund in relation to one-half of the total money expended by the State in dredging a channel through the two sandbanks.

The Minister for Works: We do not anticipate that a great deal of maintenance will be necessary.

Hon. A. R. G. HAWKE: I anticipate that, once the cut is put through, there will be little or no maintenance, and therefore I made no reference to possible maintenance cost subsequent to the channel being cut.

Another important obligation that the Government has agreed to shoulder is in respect to the construction of 999 houses. These houses are to be built by the Government at its own expense, and are to be erected at the rate of 333 a year after what is referred to in the Bill as the commencement date. I have no precise knowledge as to what it is considered each of those houses will cost, but one may not be overstating the position very much by reckoning that each house will cost in the vicinity of £2,500. If that is so, the Government is committing itself to an expenditure of £2,500,000 for the building of 999—or shall we say 1,000—houses, which have to be erected to enable the company to house the men to be employed once the refinery comes into operation.

It is interesting to note that, under the agreement, the Government binds itself to let the houses to the company on a rental basis and at reasonable rentals. It is only a few weeks since the Government, after mature consideration, decided to wipe out the system and policy of building rental homes for the people of the State. Yet we have in this Bill a provision under which the Government binds itself hand and foot to re-institute the building of rental homes for the employees of what can be described as none other than a very wealthy company. It seems to me that the Government has a job ahead to justify this somersault in the matter of its housing policy. Here we have a company coming from overseas to Western Australia, a

company with tremendous funds at its disposal, and yet it has evidently requested the Government to build these homes on a rental basis so that the employees at the refinery, when it comes into operation, will be able not only to have homes in which to live but also have them on a rental basis.

The Premier: That is an attempt to help industry. We are doing that at Collie, Bunbury, Albany and Geraldton.

Hon. A. R. G. HAWKE: I am aware of that. This has been one of my strong complaints against the Government, not on the ground that it is giving this assistance at those four places but because it is not doing the same thing at others. Collie, Bunbury, Geraldton and Albany are not the only places where industries operate and those places, with Kwinana in addition, when it becomes a practical fact, will not be the only places within the State where industries are operating.

The Premier: Those are very essential industries, are they not—the superphosphate and coal-mining industries?

Hon. A. R. G. HAWKE: There are superphosphate industries operating at Bassendean. There are important farming industries operating throughout the country of Western Australia. There is a very important flourmill in operation at Northam and other important industries of a similar character operate in many country places.

The Premier: They would not be operating if we did not pick out these key industries.

Hon. A. R. G. HAWKE: Is the Premier suggesting that the farming industry and the flourmilling industry would not be operating?

The Premier: I think that to keep them going we must have super and coal.

Hon. A. R. G. HAWKE: Of course! There is no argument about that. My complaint against the Government is that it is giving special priority to some industries as against other industries, for which there is no justification.

The Premier: Yes; they are key industries.

Hon. A. R. G. HAWKE: Would the Premier say that the farming industries are not key industries? Would he say that the flourmilling industry is not a key industry?

The Premier: No, I would not. But the industries to which I have referred are necessary to keep the others going.

Hon. A. R. G. HAWKE: What sort of illogical process is now operating within the Premier's mind? Would he say that the Collie coalmining industry, for instance, or the super industry at Bunbury, could keep going if the farming industries were not in operation? The Premier knows

only too well how important primary industries are to Western Australia and the Prime Minister of Australia has come to understand it in the last few hours.

Mr. Butcher: Hear, hear!

Hon. A. R. G. HAWKE: Would the Premier say that the goldmining industry is of no importance to Western Australia; that the leadmining industry is of no importance? Of course he would not, unless he were in a corner as he seems to be now—

The Premier: No, I still think I am right.

Hon. A. R. G. HAWKE: —and trying to bluff his way out.

The Premier: I think I am right and that you agree.

Hon. A. R. G. HAWKE: Very well! The Premier lays it down as Government opinion and policy that the primary industries—the flourmilling, the goldmining, the leadmining and the pastoral industries—are not to be compared in importance with the coalmining industry and the super industry.

The Premier: I never said that.

Hon. A. R. G. HAWKE: That is the Premier's argument.

The Premier: I said we could not keep certain industries going without coal, and we could not keep the agricultural and flourmilling industries going without super.

Hon. A. R. G. HAWKE: And I am saying to the Premier that we cannot keep Western Australia going without the farming industry, the pastoral industry and the mining industry.

The Minister for Lands: I am glad you appreciate that.

The Premier: Therefore we encourage the two key industries in order to keep them going.

Hon. A. R. G. HAWKE: The Premier is encouraging two or three industries at the expense of all the other industries in the country districts; that is what he is doing. And the Premier, as a result of the policy which his Government is operating, is attracting, and strongly attracting, people into centralised groups of population. Make no mistake about that! The sooner the Premier wakes up to it the better it will be for Western Australia, if we take a long-range view of the situation.

The Premier: I would like to hear more from you on that.

Hon. A. R. G. HAWKE: The Premier will hear more from me on that, and in connection with this Bill, too. But that will come at a later stage. What effect does the Premier or the Minister for Housing think that the erection of these 333 houses a year for three years will have upon the general housing situation in Western Australia? Has the Premier or

the Minister for Housing given any thought to the certain results of what they have bound themselves to do under the terms of this agreement in regard to the building of the houses to which I have referred? To erect 333 houses a year is to erect a goodly number.

The Premier: It is. They will house a lot of Western Australians.

Mr. Nimmo: He would not know.

Hon. A. R. G. HAWKE: If the member for Wembley Beaches is going to interject, I wish he would say what he wants to say so that I can hear clearly. I heard what he said, but I would like it to be said more clearly because I would like other members to hear it.

The Premier: Do not let him draw you off the track.

Hon. A. R. G. HAWKE: These houses are not to be built for people in Western Australia at present. Though the Premier's interjection might seem to indicate otherwise, I understand that most of these houses will be occupied by people who will be brought here from some other country. The terms of the agreement seem to lay that down in black and white. So it is of no effect or value at all for the Premier to say that the houses when built will house Western Australians, unless he is going to try to contend that immediately a person comes from overseas he is a Western Australian. I would not mind it if he said that; I would not have any very violent quarrel about it.

What I feel in regard to this matter is that the considerable number of people who have lived in Western Australia for very many years, and who have made a contribution to its progress up to date, will be denied housing accommodation. We know that a considerable number of such people are being denied reasonable housing accommodation now, and we know that the number has increased to a great extent since September of last year.

The Premier: We know that migration has been taking place for years.

Hon. A. R. G. HAWKE: Yes, we know that. What I am trying to find out from the Government is whether it has weighed carefully, and with some degree of exactness, the certain result of the building of these special houses upon the general housebuilding programme within the State. Will the building of those 1,000 houses in three years for this additional population, which is to be brought into Western Australia, mean that 1,000 fewer houses will be available for the general population of the State?

The Minister for Works: Certainly not! We plan to increase the number by at least 300 a year, bearing in mind that we have three years ahead of us.

Hon. A. R. G. HAWKE: I have had much to do with the planning of the Government, with regard to houses especially.

The Minister for Works: There has been a gradual increase in the numbers built even though we have not been able to cope with migration.

Hon. A. R. G. HAWKE: The Minister for Works knows only too well that the Government has not been able even to catch up with arrears, let alone meet current requirements. The Minister for Housing knows very well, too, that I could tell a pretty story to the House if time permitted and circumstances were favourable about his planning and the planning of those associated with him with respect to the provision of houses at Northam. So those plans are of no value in a practical sense.

The Minister for Housing: Would not the hon. member concede that some people at Northam probably do not give the Housing Commission the co-operation necessary to get those extra houses? The Commission cannot build houses if it cannot get the land on which to build them and, if your people will not give us the land, how can we erect houses there?

Hon. A. R. G. HAWKE: The answer to that is simple. The Government has ample power to resume whatever land it requires for the building of houses.

The Minister for Housing: The Leader of the Opposition would be the first to object if we were to resume land at Northam.

Hon. A. R. G. HAWKE: The Minister is absolutely wrong. The member for Northam would not object, firstly, or at any stage, if the Government took action to resume land at Northam upon which to build houses for the people. He would be the first to approve.

The Minister for Housing: Be careful I do not take you up on that.

Hon. A. R. G. HAWKE: I know the Minister too well. In a sporting sense he is the greatest dodger I have ever met, but that is by the way. It seems to me that the undertaking by the Government to build these houses will encompass it with considerable difficulty and confusion in relation to the housing situation generally in this State. I do not think there can be much doubt about that, but that is a responsibility which the Government must shoulder, and I emphasise it only to ensure that it is aware of the position and will do whatever is within its power to see that the building of these houses, for this particular industry, will not have the effect of intensifying too greatly the present housing shortages and difficulties within the State.

I notice, also, that in this agreement the Government binds itself to sell these houses subsequently, to persons nominated

by the company and that part of the agreement seems to be of an extremely cast-iron variety. Here we have the Government, firstly, binding itself to build 1,000 houses; secondly, binding itself to let those houses at reasonable rentals to the company, which in turn will let them to its employees; and, thirdly, the Government is binding itself subsequently to sell the houses to employees nominated from time to time by the company.

The Minister for Works: That employee would then be the owner in fee simple.

Hon. A. R. G. HAWKE: I know that.

The Minister for Works: Because of the lack of houses in the area, it was an original condition of the agreement that we would provide a minimum of 1,000 houses for the company. That condition was imposed to ensure that the accommodation would be provided.

Hon. A. R. G. HAWKE: It seems to me that the Government is binding itself much too severely in this regard. If it is going to sell these houses to individuals it will lose control over them, as will also the company—make no mistake about that. If for any reason one of the employees concerned desires at any time to change his employment and work on the wharves, at the sugar refinery or elsewhere round Fremantle, he will still be the owner of the house he has bought and will be entitled to do with it whatsoever he pleases. He will be able to sell it, and the result could well be that within a reasonably short period all these houses might be resold in that way, particularly if the upward movement in home prices continues as it has in recent years.

The Attorney General: That could not happen with regard to the houses that are to be leased to the company.

Hon. A. R. G. HAWKE: If the Attorney General had been in his seat and had been listening he would have known that I am not talking of houses leased to the company, but of those sold to employees of the company at its direction.

Mr. Yates: What do you suggest should be done?

Hon. A. R. G. HAWKE: I suggest that these houses should be retained by the Government and let to the employees of the company on a rental basis for a period of at least ten years, until the industry is well established and until the employed personnel of the company have become stabilised.

The Minister for Works: There is a coverage of about eight years.

Hon. A. R. G. HAWKE: That would depend on circumstances, but I think a minimum of at least 10 or perhaps 15 years is necessary. We know that when this industry begins to operate it will become—at any rate for the time being—a glamour industry and a great magnet to workers

in all parts of the State. I have no doubt that they will flock to Kwinana from Kalgoorlie, Merredin, Geraldton, Big Bell, Collie and other centres—possibly even from Pinjarra. When the glamour has worked off we will no doubt find that a number of the employees who have rushed to Kwinana from the country, in order to be employed in this industry, will decide, in the natural course of events, that the country is not such a bad place after all, and will probably go back to rural areas. But in the meantime they may become the owners of these houses and, on their leaving the industry, the dwellings could easily be lost to employees of the company.

From the point of view both of the company and the Government, I think it would be well to ensure that these houses, which are to be built especially for employees of the company, are held for that purpose for a long period. I know what happened at Wundowie, where the situation was somewhat the same as that which will develop at Kwinana. Had the houses at Wundowie been sold to employees in that industry in its early stages of operation, there would have been a housing crisis such as to cause the Government no end of headaches, owing to the changes which took place in the employed personnel of the Wundowie industries. For what it is worth, I suggest to the Minister that he give further consideration to that aspect. I am not suggesting that we should try to amend that part of the agreement, but I do think that the company and this Government—or some other Government in the future—should watch closely that phase of the agreement when it is in operation.

I notice, further, that the Government binds itself not to accept any tender or let any contract with regard to dredging to any person save with the prior agreement of the company. That appears at page 10 of the Bill and it seems to be a rather peculiar provision. Is the Government confessing that the company has equal or better knowledge of the dredging operations that will be required and of the firms that might tender for the work than has the Government? Why should the company have the absolute legal right to prevent the Government from accepting any tender or letting any contract for dredging work, the total cost of which is to be met by the Government?

The Minister for Works: I think all that was intended by the company was that it wanted the assurance that, in accepting these tenders, we would get a contractor who would carry the work through.

Hon. A. R. G. HAWKE: I would have no objection to that. I would have no objection to the Government binding itself—

The Minister for Works: It is paying six per cent.

Hon. A. R. G. HAWKE:—to having prior consultation with the company over tenders and the letting of a contract. I think that would be quite reasonable and fair. However, the Government goes much further than that in the agreement because it places in the hands of the company—not the Government—the decision as to whether a tender shall be accepted or refused; the decision as to whether a contract is to be let or not. The company should not have that authority at all, more especially when the total amount of money to be spent on the dredging operations—probably at least £6,000,000—is to be found by the Government.

As I said earlier, I do not propose to move any amendments to this agreement because I appreciate the fact that it is a complete whole and any alteration to it by Parliament might prejudice the whole, but I do suggest to the Minister that he should have some rapid consultation with the company's representative, who is still in Perth, on this point. I think the company's representative should agree that this provision should be reworded so that it would give the company not the absolute right of veto over the Government, but only the right of complete consultation with it so that the company's point of view and advice would always be made available to the Government on the tenders it might receive for the proposed dredging work and as to any contract that the Government might subsequently decide to let.

On the same page of the Bill it is proposed to pay to the company any damages that may be recovered from a dredging contractor as a result of any breach of contract which he might commit. It is conceivable that a contractor, in carrying out a large operation of this description, might get into all kinds of difficulties and consequently might be forced to breach his contract in many ways and, to a large extent. The damages extracted from him might therefore be considerable. I have tried to work out why the whole of any such damages recovered from the contractor or contractors should be paid to the company. I know it can be claimed that any such breaches by the contractor might delay the completion of the dredging operations and, in turn, would delay the completion, by the company, of its oil refinery. That, in turn, would mean that the company would have a portion of its capital lying idle and not earning any income for a longer period than was anticipated by it.

The Minister for Works: It might complete the construction of its oil refinery and then not be able to get its 32,000 tonners alongside the refinery.

Hon. A. R. G. HAWKE: Yes, that may be possible, but with any contractor who might have committed any serious breaches of the contract action would have to be taken, either to ensure that that contractor proceed to carry out the contract properly or that it be cancelled and some other contract substituted in its place. I would not be surprised if, finally, the Government has to do this job or part of it.

The Minister for Works: I would.

Hon. A. R. G. HAWKE: I beg the Minister's pardon.

The Minister for Works: I do not believe the Government will have to do that. There is a number of large international firms, of good reputation, doing this kind of work.

Hon. A. R. G. HAWKE: I hope the Minister is right. It would be a tragedy if the dredging of the channel were subjected to all kinds of delays and mistakes. If the Minister has had contact with firms of worldwide repute—

The Minister for Works: Dutch, French and British.

Hon. A. R. G. HAWKE:—and they are prepared to tender for this work then, to that extent, my fears upon this point might be allayed at this moment. Nevertheless, I am still in considerable doubt why the whole of any such damages recovered should be paid to the company. After all is said and done, the contractor will be employed by the Government and paid by it to do a job. Surely, if damages are to be recovered from a contractor for breach of contract, the Government is entitled to some consideration as well as the company. I should think that in an agreement of this kind there should have been some provision for the distribution of any damages recovered as between the Government and the company upon a basis agreed upon by both parties. In the event of failure to agree on this point they could send the matter to arbitration and obtain a decision which would be reasonable to both sides.

Here, however, we have what appears to me to be an extremely one-sided arrangement; where the whole of the damages recovered from a contractor is to be handed over to a company without question by the Government which is paying the whole cost of the job, regardless of the fact that there may be delay or trouble of any kind. So I suggest that the Minister consult the representative of the company on that point, namely, to ascertain whether the Government's interests cannot be better protected than is now proposed by the agreement. The Government also undertakes to provide 3,000,000 gallons of potable water daily, as the company may require it, for the establishment and carrying on of the refinery.

The Government also shoulders the legal responsibility of constructing and, subsequently maintaining, a railway from the refinery site to the existing railway at Woodman's Point or to some other existing railway. Further, it takes upon its shoulders the responsibility to construct various roads; to provide electric power, and so on. All in all, I think the Government is binding itself to lay out, roughly, £10,000,000 in order that this oil refinery may be established at Kwinana. The Government will, no doubt, have to meet continuing costs as the years come and go, but they would have to be met in any case if the company did establish the refinery at Kwinana, irrespective of whether the Government was binding itself at this stage to expend £10,000,000, £5,000,000 or £15,000,000 to ensure that the refinery would be established in this State. However, it is a very big price for the State to pay to obtain one industry.

I shall not try to argue this afternoon that there are industries already established in Western Australia that, with £10,000,000 expended upon them, or in relation to them, would be able to make greater contributions to the State's wealth production and would be able to absorb an increased number of employees—although I am sure there are such industries. There are the farming, pastoral, fishing, goldmining and many other industries. The expenditure of £10,000,000 in connection with those industries would give them a very great fillip and would increase their ability to augment the wealth of the State, and would save some of them from the period of decline in which they now find themselves.

I could hope that the Premier and his Ministers would realise that in some parts of Western Australia industry is going backwards and the population trend is downwards. These things are happening because industries upon which the progress of those parts of the State depend are lagging for one reason or another.

The Premier: Financial assistance is being rendered to them from time to time. In fact, it is being made available all the time.

Hon. A. R. G. HAWKE: Financial assistance of the magnitude I have referred to or anything like it, is not being given to them. There are members in this House who, in the course of the debate on the Bill, will be able to give dozens of instances of industries lagging and of population decreasing, because of the fact that the Government will not provide an extra £100,000 in one direction or another.

The Premier: I presume you are referring to the goldmining industry.

Hon. A. R. G. HAWKE: If the Premier wants me to be specific, I will cite that as one, but there are other industries

as well. I am sure members representing north-western constituencies could tell the Premier quite a story about how £1,000,000 could be spent in their areas for the purpose of helping industries and holding population and, we could hope, increasing them.

The Premier: We are doing our utmost to get money with which to assist the North.

Hon. A. R. G. HAWKE: It is not very convincing for the Premier to say that the Government is doing its best to obtain money with which to assist industries in other parts of the State, and at the same time coolly to present to Parliament a Bill for the expenditure of £10,000,000 in relation to the agreement now under discussion. If £10,000,000 can be raised so easily and quickly in relation to this agreement, why cannot one-tenth of that amount be raised to assist long-established primary and even secondary industries in Western Australia?

The Premier: They are not languishing for want of money. We are assisting both primary and secondary industries all the time. It is an almost continuous process.

Hon. A. R. G. HAWKE: If those industries are not languishing for want of money, for what reason are they languishing?

The Premier: I say again that they are receiving Government assistance.

Hon. J. B. Sleeman: The Government has no reply to that one!

Hon. A. R. G. HAWKE: Basically, finance is the problem confronting all these industries. Either they are not being served properly with respect to transport by land or sea, or the production in which they are engaged is not profitable to them, or because of isolation or some other factor—their isolation has not been sufficiently eased for them—the industries I have in mind are not progressing and population in the parts affected is not only not increasing but is actually decreasing. I am sure the Premier will find that in Western Australia a lot of people will be wondering, and are now asking, why upwards of £10,000,000 can be found by the Government for various works to enable the oil refining industry to be established, whereas at the same time little if any money at all can be found for what are regarded by people in various parts of the State as most urgent requirements.

Mr. Bovell: That money can be found for the same reason that funds were available for the Goldfields Water Supply Scheme in the past.

Hon. A. R. G. HAWKE: The member for Vasse can tell that to his own electors, and I am sure he will find it difficult to convince them.

Mr. Bovell: They are all for progress down there.

Hon. A. R. G. HAWKE: That would seem to be an indication that there will be a new member for Vasse after the next general election.

The Minister for Works: We will see about that.

Mr. Bovell: I am afraid you will have to eat those words after the next election.

Hon. A. R. G. HAWKE: Earlier I suggested that later in my speech I would have something to say about the centralising effect of the establishment of an oil refinery at Kwinana. I notice something very significant in the House this afternoon, and I prophesied it this morning—the member for Albany is absent.

The Premier: That is because of a wretched strike. No train ran last night, so there is a real excuse for him.

Hon. A. R. G. HAWKE: Fancy the Premier who controls a fleet of about 500 motorcars, some of them very fast-moving, telling us that the member for Albany is not present because no train ran last night!

Mr. Bovell: Here is a telegram that I received today from the member for Albany, intimating that the train was cancelled and that it is impossible for him to arrive in Perth until Thursday.

The Premier: A perfect answer!

Hon. A. R. G. HAWKE: Until now I had a tremendous amount of admiration for the Government's organising ability—speaking in a political sense. Here, however, beyond any shadow of doubt, we have evidence that had the Government not feared the presence of the member for Albany in the House, it would have sent its fastest motorcar away as soon as that telegram was received; and the member for Albany would have been in his seat by six o'clock this evening.

The Minister for Works: To give the project his blessing.

Hon. A. R. G. HAWKE: The member for Albany spoke about the oil project months ago when it was first mentioned. He told me there was only one place in Western Australia for the establishment of such an undertaking.

Mr. Griffith: At Albany.

Hon. A. R. G. HAWKE: He hoped that it would be established there. I do not want to go on in this strain, but the member for Albany spoke to other members in support of his contention.

The Minister for Works: I think he told all of us about it, so it is quite all right.

Hon. A. R. G. HAWKE: It is obvious that the member for Albany is a very disappointed man. He feels that the Government has let Albany down. He feels

that the Government has backed down upon its previous claims to be in favour of decentralisation and that the Government has now been dragged willy-nilly, or perhaps even voluntarily, into a line of policy that makes it the high apostle of centralisation.

The Premier: Decentralisation is to be carried out all right. It is the policy of the Government.

Hon. A. R. G. HAWKE: I am not in a position to say whether this proposed industry could have been economically established at Albany, or Bunbury, or Geraldton, or at any other outport within the State. As I said earlier, the men directing this company and controlling its affairs are among the shrewdest in the world. They are hard-headed to the greatest possible degree. They know what they are doing; they know how much a pound is worth and they know how much a million pounds is worth. They would be anxious to establish their industry in a place in Western Australia where it would be easiest to operate and where its operation would be most likely to bring to the company favourable financial results. I have no quarrel with the directors of the company on that point, although it would have been much more satisfactory in my view had they been able to take into consideration Australia's tremendous need for decentralisation of industry and population.

The Minister for Works: We would all agree with that.

Hon. A. R. G. HAWKE: I think there was an obligation upon the Minister for Works especially, and upon the Government generally, to do everything in their power in an endeavour to persuade the company to establish its industry away from the Perth metropolitan area.

The Minister for Works: The claims of outports were put forward, but the specifications laid down right from the beginning indicated that we could not compete with those offering in the Eastern States other than at Cockburn Sound.

Hon. A. R. G. HAWKE: I understand from the Minister for Works that, in the opinion of the directors of the company, there was no other place in Western Australia which was acceptable to the company.

The Minister for Works: After we had put the case before them, yes. Cockburn Sound was their decision.

Hon. A. R. G. HAWKE: That is not the answer at all. I know what the company's decision was. That is set out in the agreement. That was not the question.

The Premier: The facts are that if the Government had said, "You must go to this place or to this other port and not Cockburn Sound," we would not have had this industry in the State.

Hon. A. R. G. HAWKE: That is not an answer to the question I asked, either. I asked whether the Minister for Works could tell us whether Kwinana is the only place or site in Western Australia which the company considered suitable for its activities.

The Premier: Yes.

The Minister for Works: Yes, that was the only bay, the only harbour, they considered suitable.

Hon. A. R. G. HAWKE: I hope the Minister is absolutely certain about that. I am not trying to establish any trap for anybody. I am anxious to know beyond any shadow of doubt whether the company was decisive in the opinion that there was no other place in Western Australia suitable for the establishment of this industry than Kwinana.

The Minister for Works: Yes.

The Premier: There was no doubt. I talked to them when they were here, and there is no doubt about their decisiveness in that direction. Without a shadow of doubt. I can assure the hon. member of this fact. We realised that this industry would be a great decentraliser if we could get it away to one of the outer ports, but we just could not do it.

Hon. A. R. G. HAWKE: I am not quite sure whether the Premier is absolutely clear as to the point I am making.

The Premier: Yes, I am.

Hon. A. R. G. HAWKE: I know the company would be decisive in regard to saying that Kwinana, with Cockburn Sound adjacent, was easily the best place. What I am trying to find out is whether, in the opinion of the directors of the company, there was in Western Australia, say, at Albany, for instance, another suitable place.

The Minister for Works: No.

The Premier: Some of their officers who came over told me that Albany would not be suitable to them. They would not go to Albany. We told them all about Bunbury and they said Bunbury was not suitable. They would not go to Bunbury.

Hon. A. R. G. HAWKE: The Premier is saying two things. They are not different things, in a way, though they could be. In the first place, he says that the directors stated that Albany was not suitable and they would not go to Albany. Then they said that Bunbury was not suitable and they would not go to Bunbury. I am trying to find out clearly whether, beyond any shadow of doubt, those places were or were not suitable. I think the Premier is trying to say that the company considered both Albany and Bunbury were unsuitable and not acceptable.

The Premier: That is it.

Hon. A. R. G. HAWKE: If those places were not acceptable on the ground of unsuitability and impracticability, there can-



not be much quarrel with the company's decision. But there can be considerable regret at the fact that this industry is to be established in Western Australia at a place which will intensify severely the centralisation problem from which we are suffering.

The Premier: I think the hon. member knows, from his experience as Minister for Industrial Development for some years, that the decentralisation of industry is not so easy to bring about. We all favour it; but when it comes to putting it into practice, that is not so easy.

Hon. A. R. G. HAWKE: I am well aware how difficult it is. Nevertheless, I had an opportunity the other day of travelling from Melbourne to Yallourn, in Victoria, a distance of 90 miles. On that journey I was overjoyed to see the number of large-scale industries already established and operating in the country and learn of the considerable number of other industries it was proposed to establish along that road.

The Minister for Works: What has made that possible?

The Premier: The Yallourn brown coal.

Hon. A. R. G. HAWKE: No, not Yallourn alone. Most of the big industries are closer to Melbourne than to Yallourn. There have been several factors. I would not claim to have a knowledge of all of them. I understand that the Victorian Government—a Country Party Government, and therefore a very progressive Government, much more progressive than any coalition Government could hope to be—has achieved quite good results in having that policy put into operation.

The Minister for Works: How long have they been there?

Hon. A. R. G. HAWKE: Long enough! Without the drag of the Liberal Party upon them, they have gone ahead at great speed.

The Premier: Do you think that any other party has any influence with them?

Hon. A. R. G. HAWKE: I think that another factor in Victoria is that land in large quantities is not easily available in the metropolitan area of Melbourne.

Mr. Manning: I think that is the crux of the matter.

Hon. A. R. G. HAWKE: That is one important factor.

Mr. Kelly: Would not cheap land have something to do with it?

Hon. A. R. G. HAWKE: As suggested by the member for Merredin-Yilgarn, land which is available in sufficient quantities near Melbourne is tremendously dear in price. Another factor, and a very important one, is non-availability of houses in Melbourne, and therefore non-availability of labour in Melbourne for new industries. In country areas where large new industries have been established, there

are homes with people living in them and consequently labour is available in those areas where firms have established undertakings.

There is no doubt that this oil refinery in operation will be a very great magnet in attracting people from the country to the metropolitan area. I know that the company proposes to bring a large number of migrants from overseas to Australia to assist in the construction of the refinery and presumably to help to operate the refinery after its construction. Nevertheless, I am sure we will find that a large number of men will be attracted to the metropolitan area from country industries to be employed in this new industry because of all the glamour which will be associated with it, at least for some years to come.

Country districts can ill afford to lose population. Every industry operating in the country, of which I know, whether primary or secondary, is short of labour. Unfortunately, the type of men who will be attracted from country industries and country districts to Kwinana will be the skilled type, and country industries and country districts can ill afford to lose any skilled men; there are far too few of them in the country at present. The Minister for Works knows only too well from his own experience the difficulty the Government has in getting work carried out in the country. That difficulty is created because there are not sufficient skilled men in the country to do the work. I would not be surprised if the Government has to send labourers from the metropolitan area to the country to do jobs, or assist in having jobs carried out.

Mr. Cornell: Where from?

Hon. A. R. G. HAWKE: From Perth.

Mr. Cornell: They would not be available.

Hon. A. R. G. HAWKE: The Government has ways and means of getting labour. It employs men permanently. Consequently, if it has a special job it wants done in the country, it can usually organise some of its permanent employees to do it. Unless the job is special, or unless the member for the district keeps, almost continuously, on the back of the Minister concerned it is not done at all.

Mr. Cornell: Are you thinking of the job at the bottom of Malcolm St?

Hon. A. R. G. HAWKE: No. The work of establishing this industry at Kwinana will not only take a great deal of valuable skilled labour from other channels, including the country, but it will also take a great deal of valuable materials which are already in short supply in this State. I know there is a provision in the agreement binding the company to bring from outside Western Australia all the cement it requires; but cement is only one requirement. The Government, for the

work which it will carry out in the establishment of this industry, will have to obtain large quantities of materials which are already in short supply, and the company will have to do likewise. The combined effect of all that will be to make even more scarce in this State those essential materials.

Country members of this House know only too well that people in the country get the rough end of the stick when materials are in short supply. Materials which are in short supply are distributed from the city, and consequently those in the city who desire to obtain such materials are nearest to them, and in most instances are more friendly with the distributors and are able to pull more wires, as it were, and therefore people in the country are at a tremendous disadvantage with regard to getting any share at all of materials in short supply. Their position will be ever so much worse when activities get really under way in connection with the establishment of the refinery, and in relation to the various works which the Government itself must carry out under the terms of the agreement.

I have expressed the major criticisms which I think are justified with respect to the matter. As I said at the beginning, I do not agree with the political line laid down by the present Minister for Education, when he was a member of the Opposition some years ago, to the effect that he would never say anything in the way of commendation or praise of a Government—

The Premier: We were always saying—our members—over there, “I commend the Government.” Most irritating, it became!

Hon. A. R. G. HAWKE: Evidently the Premier does not want me to repeat this. I do not agree with the political line laid down some years ago by the present Minister for Education when he declared that he would never in any circumstances or under any conditions say anything in commendation or praise of a Government to which he was politically opposed. I think that is a miserable political attitude to adopt.

The Minister for Education: Do not take text from context; quote the whole of it.

Hon. A. R. G. HAWKE: I do not mind quoting the whole of it, because it only strengthens my stand and makes even more politically miserable that of the Minister for Education. After he made that statement he went on to say that it was because he knew it would be taken down and used by members of the Government concerned as evidence in favour of the Government when it was appealing to the jury, namely, the general elec-

tors. So, I close by again offering to the Government my appreciation and congratulations for what it has achieved in connection with this matter, and I once more offer my special congratulations to the Minister for Works and also the Director of Works for the prominent parts which they both played in the negotiations.

MR. BUTCHER (Gascoyne) [5.17]: I, too, wish to congratulate the Government on the negotiations which have resulted in the Anglo-Iranian Oil Company promising to erect a refinery in this State. I think this is all the more meritorious when we consider the extreme opposition or competition which must have come from the Eastern States. I also agree that the conditions, or in other words the price, which the Government has agreed to pay for the project could not have been avoided. Had those conditions been disagreed with we would not be here this afternoon to ratify the agreement. There is no doubt that the Government was faced with extreme opposition from the company inasmuch as its executives were men of international fame.

The No. 1 man had recently been entrusted by the company to argue against a foreign power. I think I am quite safe in saying that this hardheaded executive knew to a pound just how much the establishment of the £40,000,000 project would mean to the economy of this State; and also, in demanding of the Government those conditions which will entail expenditure in the vicinity of £10,000,000, namely the building of 1000 homes, the making available of millions of gallons of potable water and 12,000 k.w. of electricity, the construction of roads, with special foundations to carry the loads, the building of a railway and the stupendous task of dredging two channels, this No. 1 executive from England knew that they would not be denied.

Furthermore, the Government could not possibly turn the project down because there would have been such an uproar from the people of the State, for I feel that seldom, if ever, has a project so captured the imagination of our people as this one has. Therefore, although it is right that tonight we should have a feeling of elation, it is also right that that feeling should be tempered with sober and practical commonsense lest repercussions to our economy be such that the introduction of the refinery may have an effect adverse to that which we expect. I read the account of the Premier's speech at a dinner celebrating the signing of the agreement where he is reported to have stated that, this being really a primary-producing State, it was necessary to establish secondary industries like the refinery so that we would have a balanced economy. In my humble opinion, because of the way our primary production has fallen in recent years, we will be indeed

fortunate if, in a few more years, we can claim that we are principally a primary-producing country.

If we agree to the £10,000,000 expenditure for the Kwinana refinery, we should be big enough and game enough to say immediately that we will expend a similar amount in saving our great primary industries. When we consider the pastoral areas from the Murchison River, north, we must be struck by the fact that their production is not 50 per cent. of the potential. The same thing applies to the wheat lands—a heritage of which any country should be proud. Today we see this valuable country growing oats and barley when it should be producing the golden grain. It is neither the place nor the time now to offer or suggest the solutions of this question, but one item is a question of labour. As every Government for the last 30 years has seemed to endeavour to outdo the others in building up the city beautiful, so the people have been attracted from the country to the city. Why, Mr. Speaker, it is a privilege to live in the city, and while that privilege remains we will be short of labour to keep the country going. These are facts: they cannot be denied.

There is a line of demarcation between city and country which must be rubbed out. There is preferential treatment for industries and suchlike that start in the city as against those which commence in the country. To make my point, I refer to a £1,000,000 industry which was recently established at Carnarvon—the whaling industry. It is a strange fact, when we take into consideration the assistance given to the Kwinana project, that the Government did not come forward with an offer to turn the northern road into a highway. This was not done, even though many tons of materials had to be overlanded so that the factory could start on time. I do not mean that the project should have been carried out immediately, but surely a pronouncement to spend £1,000,000 to turn the northern road into a black road was within the realm of possibility for this Government. That would give hope to the people of the North which at present is denied them.

Then, the Government did not provide millions of gallons of water—millions were not necessary. It did not provide water to the Commission at the lowest Metropolitan rate, but at 5s. 6d. per thousand gallons. Also, the Government did not build houses nor did it provide a railway, or take advantage of this great industry which is estimated to produce a million pounds worth of new wealth to the country each year. Then again, a few hundred miles further north, we have the North-West Whaling Industry, which is estimated to produce an almost similar amount. Yet, no advantage has been taken of these two great industries from which an enormous amount of wealth will be brought into the country, and which

will remain in the country because the profits will not be distributed to English investors.

The few houses that were built in Carnarvon—20, in fact—are of the timber-framed asbestos type, and the first to be allocated were let at a rental of £2 13s 0d. a week, and the last, which were allocated early this year, at a rental of £3 8s. a week. These houses are such that no municipality in the metropolitan area would allow them to be built. They are cottages. That is the line of demarcation between the city and the country, and I repeat, that line has to be rubbed out.

Immigration alone, as we see it today, cannot alter the position. The men who are brought here serve their contract time in the country and then they cannot get back to the city fast enough. They are not fools. Why should they remain in the country when everything that science knows has built up beautiful living conditions in the city? But here is the point; unless the Government is bold enough to do for these industries what it is prepared to do for Kwinana, the city beautiful, with all of its privileges and industrialisation, will be short not only of clothing but food and raw materials too within a few years. Therefore it is essential that the same bold policy as is evident at Kwinana be adopted to save the rural industries.

Mr. Hoar: I think your plea is falling on deaf ears.

Mr. BUTCHER: That is exactly my interpretation of the result of previous appeals, but I am resolved, although I support the Bill, to leave nothing undone to bring before members the necessity to give a little more than lip service to the people of the country. We cannot suspend our economy from the clouds; we have to build from the ground upwards and the foundations of our economy must be deeply buried in the soil. I congratulate the Government on the introduction of its Bill, but I warn it of the consequences that it faces unless it shapes up to the facts in a realistic manner.

MR. NEEDHAM (North Perth) [5.31]: It is a far cry from Abadan to Kwinana and a few months ago we were reading of the disastrous proceedings in that part of the world. When we read an account of what had happened, I venture to suggest that there were few of us—in fact not one citizen in Western Australia—who dared to think that the Anglo-Iranian Company would open negotiations to erect a refinery in this State. I am glad that the company has chosen this State and I have no hesitation in congratulating the Government on having negotiated successfully an agreement for the establishment of a refinery at Kwinana. This refinery will cost approxi-

mately £40,000,000 to erect and, as has been said on many occasions, the project will mark an epoch, not only in the history of this State, but also in the history of the Commonwealth; it will mark an era in our industrial development and in the propagation of our secondary industries.

While I am enthusiastic about the establishment of the refinery at Kwinana, I believe there are some phases of the agreement that could have been made more advantageous to the State. The Government, in order to secure the establishment of this refinery, has been most generous. In view of the exhaustive analysis of the agreement made by the Leader of the Opposition, it is not my intention to delay the House very long, but there are one or two clauses of the agreement to which I wish to refer. Clause 4 (a) of the agreement reads—

The State shall—

- (a) Acquire, either privately or compulsorily, as for a public work under the Public Works Act, 1902-1950, and sell to the company, which shall purchase for a total price not exceeding £750, an estate in fee simple in an area of land comprising seventy-five acres and fronting a bitumen road. . . .

The clause then goes on to say that the land is to be used for the provision of a residential area, social centre and a recreation ground. Naturally an undertaking of this magnitude, with such a large number of employees, will require a residential and social centre, but I am wondering how this sum of £750 for 75 acres was agreed upon in view of the high price of land throughout Australia today, and particularly the price of land in that part of the State. Recently blocks of land contiguous to the proposed refinery were sold for large sums of money—prices as high as £200, £300 and £350 were paid for quarter-acre blocks—and yet under this agreement we will sell 75 acres of the same land for £750. I would like the Minister, when replying to this debate, to inform the House how this sum was decided upon, because it appears extraordinarily cheap to me—it is just giving it away.

We are not dealing with a struggling company; we are dealing with a company which has a world-wide reputation. Its shareholders are well-known, one of them being the British Government. As the Leader of the Opposition said, this company is not establishing a refinery at Kwinana for philanthropic purposes; no one expects it to do so. It is establishing this refinery purely for commercial purposes and so I would like an explanation from the Minister as to how this sum of

£750 was agreed upon. The other clause to which I wish to refer is Subclause (n) (i) on page 11.

Mr. SPEAKER: The hon. member is talking of clauses of the agreement?

Mr. NEEDHAM: Yes. This clause deals with the building of rental homes for the employees of the refinery. This question was stressed by the Leader of the Opposition, but there is one phase of it that he did not cover—at least if he did I did not hear him. To my mind it appears to be inconsistent with present government policy to undertake to build rental homes, because the Government has decided to cease the building of such homes in other parts of the State. The reason given for the cessation of the building of this type of home was that the Commonwealth Government had withdrawn financial support.

There will be 4,000 people employed by the refinery and we know that they must have houses in which to live, but I wonder how the Government will carry out this part of the agreement for the building of 1,000 rental homes when, according to the reply given by the Minister for Housing in answer to questions I asked last week, there are 11,684 applicants for rental homes still waiting to be satisfied. Many of those applicants have been waiting for five years, and I have a list of about 30 residents of North Perth who have been waiting for rental homes since 1947. Those people have no indication as to when their applications will be approved and so I wonder how the Government can fulfil that part of the agreement, especially when there seems to be no possibility of the Commonwealth Government granting credit to builders.

The question of immigration is important, too. I was an ardent supporter of the immigration scheme initiated by the Chifley Government, and while I realise that in order to keep this country free from an aggressor we will require to add considerably to our population, I contend that we have been increasing our population at a greater rate than we can economically absorb. Therefore, I think we should call a halt to our immigration policy because most of these 4,000 employees will come from overseas.

There is one other phase of the clause to which I wish to refer. The Leader of the Opposition said that this State would spend something like £10,000,000, at least, before the refinery could be established. A sum of £10,000,000 is not so very great for a country such as this which has a wonderful future. But I was wondering whether any attempt will be made to impress upon the Commonwealth Government the necessity for assisting this State to meet that liability. Everybody knows that the Kwinana oil refinery will benefit not only this State but also the Commonwealth as well and, that being so, I

think the Commonwealth Government should be called upon to help us meet the financial liability incurred in the establishment of a refinery.

There is another aspect, too, that must not be forgotten. Most of the material necessary for the construction of the refinery, according to the agreement, will be brought from oversea and naturally the company wants to commence work as soon as possible. But how will the company obtain that material from oversea if the Menzies ban on imports continues? Is the Minister for Works, along with the company, going to approach the Commonwealth Government to grant an exemption from this ban on imports for the material necessary for the construction of the refinery? That is another feature of this Bill on which I hope the Minister will touch when replying to the debate.

I am in entire agreement with the member for Gascoyne that the wealth of any nation depends on primary industries. That is an undeniable and incontrovertible fact. The primary industries of this country just now are in a topsy-turvy condition. That is not the fault of the man engaged in the industry; to my way of thinking it is the fault of the Commonwealth Government through its very unbalanced and ill-advised policy which it has placed before the people of this country. Australia should be in the position of having a balanced economy with her primary and secondary industries.

Some years ago—in the earlier days of federation—when I had the honour to be a member of the National Parliament, we objected to Australia simply being engaged in fetching and carrying for other nations. We contended that Australia had resources equal to any in the world and that we had men and women equal to any in the world to produce those resources. We have those natural, human and mineral resources and with the proper use of them by a Government we should have balanced primary and secondary industries. I hope the Minister in his reply will explain the two clauses to which I have referred. I also hope that the agreement will be finally ratified and that the industry will soon be started for the betterment of all in this country.

**MR. LAWRENCE** (South Fremantle) [5.48]: Unlike the member for Albany and the member for Eyre I do not feel broken-hearted at the decision of the Anglo-Iranian Oil Company to establish this major secondary industry at Kwinana! Quite the opposite because as member for the district where the refinery will be sited I am overjoyed at the decision. As speakers before me have done I must congratulate the Government, and the refinery people themselves on bringing the

industry not only to my own electorate but to Western Australia. If my memory serves me right this is the first time I have had the opportunity to congratulate the Government.

The Minister for Works: You have missed several opportunities.

**MR. LAWRENCE:** I may have done so but I was not aware of them. It would not be difficult to impress upon the members of this House the tremendous possibilities which will arise out of the establishment of this refinery. Not only is it going to be a project of great magnitude, but there will also be ancillary industries connected with it which will enable this State to take her place in the forefront of the other States of Australia. Our population will grow because we will require labour to maintain this plant in production. This labour will have to come either from sources of immigration or from our own people resident in the State today.

Whilst I laud the actions of the Government I fear, however, that we could lead ourselves into a tragedy because of the commitments we have undertaken and guaranteed in this agreement with the oil company, and if we could not stand up to those commitments we might find ourselves in a very bad position. For the moment I will confine my remarks to an endeavour to ascertain how the Government is going to stand up to these commitments because I have very grave doubts about portions of them.

The doubts I have are in no way lessened when I reflect on the policy of the Commonwealth Government today. That Government has restricted bank credits and has now restricted imports. When the refinery is established there will be 1,000 homes built and, as one of the previous speakers has mentioned, it will cost £2,000,000 to construct these 1,000 homes. I say that is definitely a false figure. At a reception in the Mayor's parlour at Fremantle some few weeks back I heard Mr. Drake—who I believe is the attorney for the company—state that the new housing area which would be developed close to Kwinana, according to this agreement, and within 2½ miles of the refinery itself, would be in the vicinity of the size of a town like Northam. If that is so these 1,000 houses built in a group must be served exactly as Northam is served. Accordingly I defy anybody to convince me that Northam was built for £2,000,000. So, what I am anxious to know is where the Government is going to raise the finance.

**Hon. J. T. Tonkin:** That is what the Government wants to know.

**MR. LAWRENCE:** If the Government has the finance why has it not come forward and co-ordinated action with the

various bodies such as the local authorities, etc., and why has it not approached the Opposition and told us exactly what it is doing? The Government either has a plan or it has not. If it has not a plan I contend it is most illogical for the Government to sign an agreement because, naturally, with no plan it will have no idea of what financial commitments it will have to stand up to.

Not only will the Government be responsible for the erection of these 1,000 homes, which I notice are to be built in equal proportions over a period of three years, but it will also be responsible for the building of the construction camp, the upkeep of that camp and the buildings on the 75 acres; and it will be responsible for the sewerage and the water supply and the railway it intends to lay down in that area. Where that railway is to be only those in the top-line secrets seem to know. Apart from building the city of Kwinana the Government will have to make inroads on already established areas such as Spearwood market area where already surveys are being made for roads, and that will mean doing away with some of the gardens under production at the moment.

The Minister for Works: Are there any gardens involved?

Mr. LAWRENCE: I will come to that and, for the Minister's edification, I will quote the lot number. As the member for North Perth said today, our primary industries seem to be taking a back seat to our secondary industries, and it is quite obvious to anybody that such is the case. In fact it was suggested only some few weeks back that there would be a wheat famine in the State of Western Australia, and when the Wheat Stabilisation Bill was before this House it was evident to all of us here that if there was a famine in this State there would also be a famine in the other States of Australia. So the trend in Australia today is to displace primary industry by secondary industry, and in effect that means that we will cease to exist because we will have nothing to subsist on.

When countries on the Continent are trying to rehabilitate themselves in regard to food requirements we cannot expect to be able to import from them because, apart from anything else, the policy of the Menzies Government today is to cut down on imports even to the extent of food. Whilst on the one hand I laud the Government, on the other I must raise my voice in protest at the attitude it has adopted over the establishment of this refinery. Firstly I would point out that when we asked for a longer adjournment of the House to discuss this question the Government by virtue of its numbers bull-dozed the question and in effect

said, "You have got till 3.30 p.m. on Wednesday to get all the information you can, to collate your stories and tell us of your objections".

In all sincerity I say we have not had time to go into the matter fully; we have had no information from the Government, through the Minister, as to where the building sites will be, with the exception of the 75 acres quoted; we have no idea where the railway is going or where the main road is going; and we do not know what sort of road it is going to be.

Mr. YATES: The Government might not know that itself yet.

Mr. LAWRENCE: That is exactly the point. If the Government does not know and has not a plan then it does not know what the financial commitment is going to be.

Mr. YATES: It is not committed to roads.

Mr. LAWRENCE: It is.

Mr. YATES: Not within the property.

Mr. LAWRENCE: For the edification of the member for South Perth I will enumerate what the Government is up for. It is up for the building of permanent homes, and construction camps adjacent to the Kwinana refinery.

The Minister for Works: It is not up for the construction camp.

Mr. LAWRENCE: It has to resume the land for it.

The Minister for Works: That is a different thing.

Mr. LAWRENCE: I will explain that later on.

The Minister for Works: I hope you do.

Mr. LAWRENCE: The Government is up for building on the 75 acres; it is up for water supply; for footpaths and roads.

The Minister for Works: Footpaths internally are being paid for by the company.

Mr. LAWRENCE: I am not talking about internally, but externally. What about the main roads for the carting of this stuff? Are we going to fly the traffic across? If the Government has not a plan then we on this side of the House have every right to demand to know tonight from the Minister what is going to be done at Kwinana. Surely the Government realises that the Opposition, the local authorities concerned and the whole of the people are desirous of co-operating in this matter because it is of vital importance to the State! But unless we are given the information, we just cannot do anything.

We might well complain of the attitude of the Government to the Opposition, and I, as member for the electorate, have not

been informed of the Government's intention to have the refinery located there. Neither has the Government notified the Rockingham Road Board of this fact; the board has not received a single word, either by letter or orally. I spoke to members of the Rockingham Road Board yesterday, and they informed me that they have a programme for certain works representing an expenditure of £13,500, but they cannot send their specifications to the Loan Council, or the body that grants the money, because the Government construction scheme might run counter to their proposals. Yet the local authority is required to have its scheme of expenditure in the hands of the Loan Council by the end of April in each year. Thus the local authority is stuck in the mud; it cannot move because the Government will not give it any information.

The Minister for Works: That local authority made an approach to the Main Roads Department.

Mr. LAWRENCE: I cannot understand the Minister's making a statement like that. Surely the Government, as the prime mover in this matter, should be prepared to state what it intends to do! We do not expect the Minister to run after the local authority, but surely his department could forward a letter stating the actual proposals! But nothing along those lines has been done. I, as member for the district, should have been told what is intended, because the road board has approached me for information. It wants to be told why I do not know of these things and why I am not doing my job. Thus I am placed in the position of having to scry the Government or the Minister, which I do not wish to do, or take the blame on my own shoulders.

I am greatly concerned about this lack of co-operation. If the Government does not see fit to co-operate with us and with other people who are interested in the project, I do not know how we shall get on. We shall be talking at cross-purposes, and there will be a divergence of opinion, not on the Bill itself, but on some of its contents.

One of the most important questions confronting us, apart from the Bill now under discussion, is the housing situation. This afternoon I asked the Minister for Housing whether it was a fact that executive officers of the State Housing Commission considered that the present Act governing evictions should be amended to allow some discretionary power to magistrates. I also asked that, if the answer were in the negative, would he make some inquiries on the point. The answer the Minister gave was that the Act was not administered by the State Housing Commission but by the Chief Secretary and that the question involved was one of policy.

Let me state the position plainly and bluntly. The Government expects the officers of the State Housing Commission to do a certain job to ensure that justice is meted out in the direction of giving priorities, placing evicted tenants and other ancillary matters. These officers are practical men; that is all they deal with day by day and every day. They know the answers to these problems, probably more so than does the Minister. The Minister, in effect says, "We will not go to the practical men; this is the policy of the Government." Therefore nothing is done. There is no co-operation.

Mr. SPEAKER: Can the hon. member connect his remarks with the Bill?

Mr. LAWRENCE: Yes; I am quoting that as an instance of the attitude of the Government and its lack of co-operation. The question of co-operation vitally affects the proposals contained in this Bill. The Government is under agreement to provide 1,000 houses in three years for employees at the refinery. The Government has not told us whether the 333 homes in each of those three years are to be part of the home-building programme for the State. On that we have been given no information at all. According to the Bill, it will be possible for labour now employed on housing to be used at the refinery and it is proposed to bring in a further batch of migrants. Whether they will be over and above the 30,000 migrants expected this year, I do not know and the Government has not told us.

What is going to happen to the holders of priorities who have been waiting for homes since March, 1947, and to urgent cases passed by the emergency committee of the Housing Commission, as mentioned by the Leader of the Opposition, and such as the tubercular case where two children had to live in dire peril of contracting tuberculosis? Are all those people to be cast aside while homes are diverted to employees of the refinery? Nobody in the State wishes more than I do for an extended house-building programme. I am in the worst electorate of the State as regards the provision of housing.

In view of this huge commitment by the Government, I feel that I must pause and consider whether it should have undertaken that commitment knowing that it would possibly harm residents of the State, or whether the company should have been informed, "We are behind to the extent of 30,000 homes now and are becoming more deeply involved. Cannot you import Austrian pre-cuts?" I can quite understand the Government's approach to the question. The tremendous prize of gaining the refinery for this State seems to have outweighed the judgment of the Government because, when these homes are allocated at Kwi-

nana, the housing position will deteriorate still further and a greater degree of hardship will be inflicted upon the people of the State.

Later I intend to return to the question of housing as it affects local governing authorities. I am greatly interested in the provision in the agreement for the resumption of 75 acres of land at Kwinana. The Minister, in his explanation the other evening, was not very lucid on this point.

The Minister for Works: It is Crown land.

Mr. LAWRENCE: The agreement provides—

The State shall acquire, either privately or compulsorily, as for a public work under the Public Works Act, 1902-1950, and sell to the company, which shall purchase for a total price not exceeding £750, an estate in fee simple in an area of land comprising 75 acres and fronting a bitumen road, being the land coloured green on the plan (subject to survey) in the schedule hereto, subject to the condition that the company will use the area of land solely for the purposes of a residential area, social centre and recreation ground.

I cannot understand the Government's reason for selling this area at £10 per acre when similar land adjoining is to be sold at a price not exceeding £80 per acre, and when land only half-a-mile from the eastern boundary of the refinery site has been valued by the land resumption officer at £40 per acre. That is privately-owned land. When I heard the Minister's speech, I gathered that the 75 acres were to be used for recreation purposes for employees at the refinery.

The Minister for Works: I did not say that.

Mr. LAWRENCE: When the Minister replies, I hope he will tell us what residential will be built and whether they are to be of brick—I suspect they will be—and who will occupy them—I suspect the occupants will be the staff of the refinery. Therefore I cannot understand why this area of 75 acres should have been sold to the company for £10 per acre, because, to me, it seems illogical. I have not been able to ascertain where the rest of the homes are to be built, but it appears to me likely that they will be built south of Kwinana and almost down to Rockingham.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. LAWRENCE: At the tea suspension I was touching on the points concerning the houses that the Government has contracted to build for the oil refinery and the concern of the road board about the position. Unfortunately the Government

has not seen fit to tell the road board of its plans in this regard, so the local authority does not know what action to take to co-operate with the Government. The board considers that the area on the coast, directly south from the refinery should be used because of the prevailing winds. Most of the winds there come from the South-West, and as a result they will blow over the refinery and have an effect, by carrying fumes, on any houses built on the north side of the refinery. The other prevailing wind comes from practically due west and so will blow fumes due east, inland. The board considers this should be wiped out as a residential area, also. Therefore the only area it suggests is down towards Rockingham proper.

If this contention is right, the area will well and truly be within the district of the road board, which is most concerned that, when these houses are built, the State Housing Commission will come in, as it has in other areas, and not observe the local government bylaws, etc. This happened with the Belmont Park Road Board. The Rockingham Road Board is also concerned with the fact that, when the State Housing Commission steps in and lets contracts for the building of houses, the building fee of £2 a house is not paid to the road board.

The Minister for Lands: Did the road board have a meeting and convey this to you?

Mr. LAWRENCE: I will answer that very easily. The road board did not have a meeting, but it was so upset at the action of the Government in not telling it anything that it sent for me.

The Minister for Lands: The road board sent for you?

Mr. LAWRENCE: Yes, and being true to duty, I went.

The Attorney General: Was it the secretary?

Mr. LAWRENCE: I thought it my duty to go to the road board and answer any questions on the matter that it might put to me, because it is just as vitally affected as the Government, any member of the Opposition, or other people of the State.

The Minister for Lands: It will find out. When the position is planned, it will be advised.

Mr. LAWRENCE: Can I take it then that no plans are made?

The Minister for Lands: Your own commonsense ought to indicate to you that this is a big undertaking. The agreement has just been signed, and it has to be planned.

Mr. LAWRENCE: I probably have as much commonsense as the Minister; I hope I have.



Mr. Rodoreda: I hope you have a lot more.

Mr. SPEAKER: Order!

Mr. LAWRENCE: No one realises more than I do that it is a tremendous project, but what I do not appreciate is the offering of the Minister now which suggests that the way the road board and members of the Opposition are being treated, as regards information on the subject, is definitely unfair and incorrect. It is most discourteous, I would say. Naturally the road board, being an interested body, sent for the member for the district to ask him what was going on. Unfortunately I could not tell the board anything. Apparently from the Minister's remarks, he knows nothing about it either. At the discussion I had with the Rockingham Road Board—five members including the chairman and the secretary—they passed the remark—I say this with no disrespect to the Deputy Premier because I believe he was on holidays at the time—that as the Deputy Premier was staying at the Rockingham Hotel, about 40 or 50 yards from the road board office, with Mr. Drake, they thought that as a matter of courtesy he could have taken Mr. Drake, over to meet the board.

The Minister for Education: He was not staying there.

Mr. LAWRENCE: He was down there for some time, I believe.

The Minister for Education: He was there for an hour and a half between 5 and 7 o'clock.

Mr. Hoar: Between 12 o'clock and 1 o'clock on a Sunday, perhaps.

The Minister for Education: No.

Mr. LAWRENCE: Another thing the road board is concerned about is the provision of medical services in the way of doctors and clinics. In that area, which is now becoming rather extensive, there is no medico except one doctor who goes to stay there for week-ends. As regards the responsibility of the local authorities, we find it is proposed that in respect to the erection of the construction camp, and all buildings and amenities to be used in connection therewith, the company need not conform to any building regulations or bylaws, but that such buildings and amenities shall comply with such directions, in regard thereto, as may from time to time be issued by the Commissioner of Public Health for the State. At the moment that is not being done. The road board, therefore, is very unhappy about the position. When we look at the monthly health bulletin issued to members and executive officers of local health authorities, and sent out by the Commissioner of Public Health who is specifically mentioned in the Bill, we find directions are given that

the Government can step in now and say that the bylaws or the orders which the Commissioner of Public Health sends out need not be adhered to.

The Minister for Works: It says nothing of the kind.

Mr. LAWRENCE: It is obvious from the Bill, and nobody can doubt the bona fides of this health bulletin issued by the Commissioner of Public Health who, in one portion of it, says—

The department has received numerous complaints regarding defects in State Housing Commission premises, particularly relating to drainage and disposal of effluent.

In order to ensure that premises are erected and maintained in accordance with the model bylaws and the building bylaws of the local health authority, the following proposals of the Country Utility Services Committee have been approved and should be brought under the notice of all interested staff, particularly health inspectors:—

Local authority inspectors to inspect regularly all completed Housing Commission properties. These officers to ascertain standard of maintenance to grease traps and general drainage systems being provided by the tenants.

That sets out exactly what the health inspector employed by the local authority has to do, but the Government sees fit to step in and tell the company concerned that it can erect anything it wishes at this construction camp. After all, the Public Health Commissioner has not an ounce of power, as is being proved at various road board centres today. There are other points arising from this Bill that I feel should be drawn to the attention of the Government, because when the measure is in Committee, in my opinion and that of some of my colleagues on this side of the House, certain amendments are necessary. One question has to do with the power of the company in relation to the wharves that it is to erect. That provision is—

The company may authorise, with or without limitations or conditions, any person to enter, or remain on, or use such wharf, jetty, landing place, berth, waters or shore and may at any time revoke or vary the authorisation.

I do not know whether the Government has given consideration to the question of what group of persons or union of workers is to operate on the Kwinana waterfront, but I think it will be the Waterside Workers' Federation. Under the wording that I have quoted from the Bill, the company is, in effect, given the right to refuse entry to its wharves to any executive officer of the union. I know

the history of the waterfront pretty well, and at no time, to my knowledge, has anything like that been attempted. I do not suggest that that provision was drafted with any intent on the part of the Minister or the Government to deny union officials the right to enter premises where the members of the union are working but, with that wording as it stands, such would be the power of the oil refinery company. I therefore feel that that provision should be amended.

I think the Government should give consideration to the question of what labour is to work on the wharves and that mention of it should be made by the Minister, because in the present inner harbour we are today handling from 2½ million tons to 2¾ million tons of cargo per annum and it is proposed that when the refinery is in full production it will handle 3 million tons, quite a large proportion of which, I suggest, will probably be handled in cases or drums that, if I am correct, will entail the employment of a large number of men. From my own experience I know that in these days it is not easy to get men to place in various avenues of employment. I therefore believe that the Government should have made some inquiries on that point—I feel sure that it has not done so—so that when the labour was needed, if it was the intention of the Government to draw it from the Waterside Workers' Federation pool, the matter could be facilitated.

Another point on which I would like clarification from the Minister when he replies has to do with that little area next to the 75 acres that is intended to be resumed. I refer to the land now vested in the Crippled Children's Association. The map attached to the Bill shows that the road there is closed, though whether that is intended or not I do not know. If it is closed, the crippled children will be entirely cut off from any road, and I hope the Minister will clear up that point for me. Once again, I desire to impress on the Government the importance of passing on as much information as possible to the authorities concerned and to members on this side of the House. I know there are some matters that are in abeyance and that cannot be disclosed at the moment, but I feel that insufficient information has been passed on in the present instance. Unless the Government is genuine in its endeavour to pass on full information, it might eventually find a lack of co-operation from members on this side of the House.

I again compliment the Premier, the Minister, Cabinet, the Government and the Co-ordinator of Works on what has been achieved, and tell the Government, on behalf of the road boards in my area, the people of the districts concerned and myself that we will give it all possible co-operation in its efforts to get this refinery established and into production, because we realise that it will be the making

of the State and, in fact, of the Commonwealth. Its effect on the State is brought home when we realise that up to the present Western Australia has been the smallest of the States, not in size but in population and industrial development. The establishment of this refinery in the State will give us the fillip that has been needed for so many years, provided it is handled in the right way and that sane counsels prevail in the settlement of this agreement. If that is achieved, I believe that in 20 years' time we will be able to look back and remember the day when the Government gained this agreement with the Anglo-Iranian Oil Co., and tell our descendants that the establishment of the refinery not only proved the greatest factor in the growth of the State but also added immensely to the defence of the Commonwealth as a whole.

**MR. JOHNSON (Leederville) [7.50]:** As members are aware, this is the first time I have risen to my feet in this House and I feel I should pay some tribute, on this occasion, to the man whose place I fill. In my opinion the late Mr. Alec Panton was a great man and it is an honour for me to follow him. I will try, as well as I can, to maintain his standards because he was a man who was a friend to everyone and I think everybody wished him well. I know that he would have liked to have been here and to have taken some part in the great progress that is being made in Western Australia. There is no doubt that the establishment of this oil refinery will be of great benefit to the State.

It is not my intention to say a great deal on this occasion, but merely to make a few general observations and to be, as I am sure Mr. Panton would have been, as helpful as possible. I say that because I feel that this Government is one that needs help.

**Mr. May:** And how!

**Mr. JOHNSON:** The establishment of a great refinery, or business concern such as this is, led me to inquire into who were its principals. We know that the people on the other side of the House, acting on behalf of the State of Western Australia, are one party and that the other party is the Anglo-Iranian Oil Company. That company is not so well known in Western Australia so I endeavoured to find out what I could about it.

The company's office had no information and the local branch of the company knows nothing about it except that the organisation is a very large one. But I found in the public library that a French expert, writing on oil in 1921, stated that the Anglo-Persian Company—that being the original name—began obscurely. Its inception in 1909 passed unnoticed and it was founded, without appeal to the

public to subscribe to its capital, by the Burma Oil Company. Its first objective was to take over concessions which an Australian, d'Arcy, had obtained in 1901.

The history of the Burma Oil Company goes back a little further and relates to a time when the great British naval man, Lord Fisher, declared that it was essential that the ships of the British Navy should be oil burning. The British Navy was voted the money to obtain an interest in the Burma Oil Company, thus ensuring itself a share of the oil of Burma. In 1914 the company obtained half the shares in Anglo-Persian oil and at that time a commission of geological experts, presided over by a Rear-Admiral, was sent to the spot by Winston Churchill.

To go a little further on this aspect, two-thirds of the ordinary shares in the Anglo-Persian Oil Company were held by the British Government and the other one-third by Burma Oil, which is directed by the Admiralty, and I have no reason to believe that that situation has materially changed. Therefore I consider that the Government is to be complimented on choosing, of all the companies with which it could have made an agreement, one which is a Government concern. That, I think, is to its credit and I know it is what we on this side of the House would have done had we the choice.

In other States of the Commonwealth oil refineries are already established, and it is to the credit of the company that it chose to build a refinery so far away from established competition but in a place which is handy to the nearest known probable prospect of finding oil in its natural state. I trust that that oil will be found and that this refinery will be able to handle it.

There are a few items in the Bill that require comment, one being the principle of granting freehold land to the company, not only for the establishment of the refinery but also for the laying down of the pipeline. I am sure that it would have been better to have granted the land leasehold because I am of the opinion that we should take nothing from the people of this State, even though it may mean giving a concession to a friendly Government. I am not a believer in passing to such people any freehold rights, because those rights should be at least returnable to the people of Western Australia.

In this agreement I think that some consideration should have been given to requesting the company to do its banking business through our Government bank, thus retaining in the State the profits from that business. The profit to be derived from an expenditure of £40,000,000 would be of considerable value to any banking institution and we, as a

State, own a bank which would be capable of handling the business. I am sure that some agreement along those lines could still be achieved for at least portion of the business and the profit would go into general revenue which, under the Bill, is payable to the Treasury—that may have some effect and reduce our income tax.

In the provision of facilities for this refinery, and for the contingent housing establishments, it will be necessary to create a large number of roads, transport facilities and provide electricity and water supplies. Those facilities cannot be provided unless the materials and labour are taken from the existing pool. I suggest that the Government give some consideration to ensuring that use is made of a large number of the vacant allotments which, at the moment, have made roads, transport facilities and supplies of water, gas and electricity, near at hand. The materials thus saved could be used for the Kwinana project; there would also be a saving in labour as well.

I now turn to the major problem of Western Australia and one which will be seriously affected by the provisions in the Bill. I refer to the question of housing. Enough has been said about this subject, even in the short time that I have been in the House, and it should be plain to anyone prepared to listen that housing is a most important problem in Western Australia. I cannot speak for the rest of Western Australia, but in Leederville I know that it can be said there is a housing problem in two out of every five houses in that suburb. I refer principally to the multitude of houses in which young people have to live with their parents and which constitute a problem of immense significance because of the number of marriages that are broken. They range down to one house that I know of where, on a front verandah, the beds are decked three high, navy style. I know of numbers where the beds are decked two high. Without doubt, there are hundreds of houses in that area alone that do not conform to health standards. For those reasons, housing is the major problem in my electorate.

The Government has agreed to make available to this company 333 houses a year for three years at a time when people are living under what are extremely close to slum conditions; not because they wish to but only because houses are not being built in sufficient numbers. The housing problem ranks equally with the establishment of this oil refinery. It is a problem which leads to industrial discontent, immorality, broken marriages and a severe drop in the birth rate. The latter point is borne out by the fact that when young couples are fortunate enough to obtain a house they generally produce another child within 12 months of enter-

ing it. I do not know why, but I am of opinion that the lack of proper facilities in the place where they were previously living may have prevented them from bearing more children.

I do not like to harp on the housing question but it is one that I know—as a result of my electoral campaign—is held very strongly against the Government. In view of that, I think I can tell the Government without any hesitation, that if the building of these 333 houses per year reduces the number of houses that are being made available to other citizens, and if the number of houses that are being made available to such citizens does not increase whilst the housing project at the oil refinery is being carried out, there will be more dissatisfaction which will lead to industrial unrest. The position at the moment is already creating inefficiency and we all know the attendant difficulties.

This evening I was interviewed in the lobby of this House by one of my constituents who is living in a house which has been condemned for five years. He wanted to know what to do next. I was unable to suggest to him that he should go to the Housing Commission but I sent him to the Legal Aid Bureau. Another one of my constituents has had his approval for a house since January, 1947, but still has not obtained it, and he is at present living in a four-roomed house which contains seven adults and three small children. The structural condition of that house is unsound and to live in it is practically unbearable in the winter. So it is essential that every effort be made to conserve what facilities we can in order to build houses for our own people when considering this oil refinery project. The Government should take heed of the warning that has already been sounded, namely, that this industry will attract people from the country to the city because of the promise by the Government that houses are to be built in the vicinity of the refinery.

I am certain that if the housing of the workers at Kwinana interferes with that of workers in other places there will be a rush to Kwinana by the people in those places. We run a grave risk of completely unbalancing the economy of this State by the building of houses in the Kwinana area. For example the timber industry might be affected and, if it is, the housing position would not improve. I would therefore like to enumerate the points I have made. First and foremost is housing. Consideration should also be given to the point I made on banking and to the necessity of making use of the vacant blocks, with existing facilities, to conserve requirements for Kwinana.

**MR. YATES** (South Perth) [8.8]: From the remarks passed by the members of the Opposition who have spoken to the

Bill it is quite evident not only to myself but also, I feel sure, to the Government that they are in favour of establishing this vital industry in Western Australia. Therefore, we are all in accord; we are pleased that this industry is to be established here as it will undoubtedly benefit not only Western Australia, but also, in years to come, the whole of the Commonwealth. The number of difficulties that confronted the Government when the project was first mooted are well known. The Anglo-Iranian Oil Company made approaches not only to this Government but also, I should say, to other State Governments of the Commonwealth in probing the resources of each State to ascertain whether the Governments in those States could offer them the facilities necessary for establishing the refinery. The Government showed foresight in obtaining active co-operation oversea and within its own Government departments. It was quick to seize on the opportunity of impressing upon this vast organisation the value of establishing its refinery in Western Australia.

So, today, this House is meeting to discuss something which is practically an established fact. The future of Western Australia promises to be bright and the Commonwealth generally will benefit from the wise decision made by the Government. Many comments have been made by members of the Opposition, some of which dealt with housing and others with facilities with which to operate this company. Whether we are going to extend our railway system to connect up with this undertaking is something for the future. I must comment on a few of the remarks passed by the member for South Fremantle which mainly dealt with housing.

**Mr. Hoar:** Do not stick your neck out!

**Mr. YATES:** The member for South Fremantle said that in his opinion his electorate was one of the worst so far as the housing problem is concerned. With that I do not disagree. I know that my electorate is not as bad as that of the member for South Fremantle but, whether his is worse than any other, I do not know. From the observations he has made and the many questions he has asked on housing since he has been a member, it certainly proves to me that he has many housing problems in his electorate. That being so, he would be concerned that the Government is contemplating the erection of a large number of homes in and around the Kwinana area for the housing of the employees of this company. I am quite convinced that the State building programme for Commonwealth-State rental homes and

later under the Workers' Homes scheme will not be affected by the establishment of this company at Kwinana.

Mr. May: How do you work that out?

Mr. YATES: I will endeavour to elucidate my thoughts for the member for Collie.

Mr. May: That is what we want.

Mr. YATES: This company will not be in production for another three or four years and building of the major part of their works will be slow, if sure. I admit that, as they build their works, homes will also gradually be built to house the people that come out from overseas to assist in the establishment and maintenance of this industry. With the influx of overseas artisans, experts and tradesmen, it naturally follows that they must be housed and it is well known that the State Government—indeed it applies to all State Governments—is bound to house any migrants that come out to this country. So far there has been no criticism of the actual housing of migrants; the criticism that has been levelled has been in regard to the actual priority. In many cases migrants have been housed because they have entered the building industry and have assisted in doing their share in producing houses for the State. We find that the Anglo-Iranian Oil Company project has nothing to do with houses at all.

Mr. May: It has with materials.

Mr. YATES: It is a vital industry and will be of great benefit, not only to Western Australia but to the whole of the Commonwealth, and it is essential therefore that assistance be given by the Government similar to that which has been given to migrants in the past to help to house the tradesmen that will come in. When this company commences operations it will naturally follow that other industries have sprung up around them. This has happened before; large industries have been established and smaller industries have sprung up round them. I envisage that around the metropolitan area we will have smaller industries, and that business people will be attracted to Western Australia because of the stability which the State offers not only in industry but in labour. I am quite certain that was one of the reasons for the company establishing the refinery in this State—it was certain of stability of labour.

Mr. Hoar: On what will you feed them?

Mr. YATES: I will not feed them; it is for the country to feed them as it has done all others. Nobody has starved yet in this country. The more people we can attract to this State, the better. There will be enough for everyone. I am quite sure that if the member for Warren got around among his constituents, his dis-

trict would produce much more! The member for Leederville made a very interesting observation. He suggested that this company should bank with our Rural and Industries Bank. It would be a good thing, but until the Government is able to compel an individual or a company to bank with any particular institution, the choice of a bank is entirely free.

The Minister for Lands: He was thinking of the Commonwealth Bank.

Mr. YATES: I think he was referring to our own State bank. We could not force the company to bank with the Rural and Industries Bank, but I would like the Minister for Works to put that suggestion to the company, and if it has not decided on a bank, it might consider the Rural and Industries Bank. The words "Rural and Industries" means that the company can bank with it. We must also look to the future in respect to the expansion of our educational facilities to cater for the large number of people who will be established in that district. Will the existing schools in Rockingham be sufficient to cater for the number of children who must automatically come along? Police facilities must also be established. The Minister for Police might have to consider the establishment of a police force in and around Kwinana or perhaps to enlarge the existing facilities around Rockingham. St. John's Ambulance might also be asked to establish a depot there. The matter of hospitalisation will have to be considered too.

Mr. Hoar: What about a couple of hotels?

Mr. YATES: The Government itself will be concerned with thinking out the best method of bringing this industry into operation gradually and successfully so that it does not harm any one section of the community, so that the various facilities will be available to those people when they come out, and so that we might have the harmony in industry that we desire and want to maintain not only there but throughout the State. The area selected is ideal from the point of view of safety.

As regards shipping, I would say that Cockburn Sound would be the safest spot on the Australian coast for such an undertaking. With the dredging of the channel between Garden Island and Kwinana itself right through to Fremantle, I would say we would have one of the safest anchorages in the Commonwealth—outside, of course, the Sydney harbour. All this will be of great benefit to the people of Fremantle, especially to the member for Fremantle, who has striven for a long time to have the harbour extension go seaward. The establishment of this industry in Western Australia has done a lot of good already. It has helped to make up the Government's mind in various matters.

Mr. W. Hegney: That is unusual.

Mr. YATES: And the Government will bring to a successful conclusion the establishment of one of the greatest industries in the Commonwealth. The other night the Minister for Industrial Development mentioned that the company would be bringing its own employees from overseas. So the fears of any member who might think that people are coming down from the country to get jobs wholesale in this organisation are groundless.

The Minister for Education: I did not say anything about that.

Mr. YATES: I ought to have said the Minister for Works. He mentioned that a large number of applications had been received already by the company from those desirous of employment. We shall not be taking people away from industry in this State. A few of our people may be employed at the refinery but, when it is realised that thousands will eventually be required by the company, the very few the State would supply would not affect our labour force at all.

Finally, from a defence angle, which today is very important, the establishment in Australia of an oil refinery of such magnitude must give the defence chiefs a great thrill. To know that, after the industry has commenced operations, we shall have large stocks of oil in the country will be a big relief to them. During the last two wars we had to rely upon supplies of refined products brought from overseas by tankers.

We know only too well that during World War II, the people of this country were very heavily rationed in the use of petrol and other oil fuels. Our stocks at one stage became dangerously low owing to the tanker position and to the fact that the country was using more oil than could be imported. With the establishment of this industry, there will be a larger storage capacity in the State, and I take it that interstate tankers will transport the finished product to other States and that they will have larger storage capacity.

Another point is that, if oil is discovered in Western Australia, we shall have facilities on the spot to refine the product and that will be to the great advantage of Australia. I commend the Government on the action it has taken, and will look forward with interest to the establishment of the industry and the day when it produces its first barrel of oil.

**MR. McCULLOCH** (Hannans) [8.22]: With other speakers, I wish to take the opportunity of complimenting the Minister for Works on his success in securing this industry for Western Australia. There are one or two points in connection with the agreement to which I should like to refer, the main one being the policy of centralisation being adopted by the Government. To me it is very obvious that,

when men are required at Kwinana, many will be attracted from the back country to work there. It is not impossible to establish a refinery away from the coast and, unlike the member for South Perth, I should say that from a defence angle, a refinery away from the coast would be a better proposition than a refinery on the coast.

Mr. Yates: I did not say anything about that.

Mr. McCULLOCH: I feel quite sure that, if another war occurs, the people of Kwinana will be wishing that the refinery had been built elsewhere. At present the Caltex and Fiat Companies are establishing a refinery near Milan in Italy. The oil supplies are obtained close to Genoa. Those companies are conveying their oil through a pipeline 97 miles long, and I cannot see why the same course should not have been adopted here. We have plenty of vacant land at places like Merredin, Cunderdin and Beverley where a refinery could have been established. Had that been done, more work would have been provided in the country, and thousands of people would have been attracted there from the metropolitan area.

The trouble today is that there is too much centralisation in the metropolitan area, and until such time as we develop the back country, we shall be confronted with difficulties. It is all very well to have a goldmining industry and a wheat industry in the country, but if an attractive industrial centre is created in the metropolitan area, men will be drawn away from those industries in the country.

In reply to an interjection by the member for East Perth, the Minister for Works stated that the establishment of the refinery at Kwinana would not have a detrimental effect on the vegetation in that area. It would surprise me greatly to learn that that is a fact. Wherever the Minister got his information, I cannot believe that it is true. This particular company has a refinery at Grangemouth and Pumphreston in Scotland and the vegetation there suffered, and I feel that the vegetable growers in the Kwinana district will find their produce thriving less than it did before the advent of the refinery.

Much has been said about the housing situation. A total of 333 houses is to be built yearly during each of three years. It will be a very good proposition if the Government is able to give effect to this provision. Probably the Government will carry it out, but at the expense of people who are now looking for homes and have been doing so for the last five or six years. The construction work at Kwinana will mean the absorption of a large quantity of building material. All the material required cannot be imported, and much that would otherwise be available for use

in the metropolitan area and in the back country will be withdrawn and what is provided for those parts will probably be of inferior quality.

The Government has undertaken within two months of the commencing date to supply to the refinery site for construction purposes not less than 200,000 gallons of potable water per day, and within 2½ years to provide a supply not exceeding 3,000,000 gallons a day. Yet the Government cannot supply the requirements of the people in the back country now. How then is it going to be able to supply the company with 3,000,000 gallons a day?

The Minister for Works: There are no restrictions on the Goldfields now.

Mr. McCULLOCH: There are. I had a letter from the department last week stating that the market gardeners on the Goldfields were using too much water. While the Government cannot meet the requirements of our own people, it has undertaken to supply 3,000,000 gallons per day to this venture. All I can hope is that the Government succeeds in doing so. Perhaps it has in mind other ways and means of providing additional quantities.

Another provision of the agreement is the undertaking by the Government to supply the company within six months of the commencing date up to 1,000 kilowatts of electric power for its construction purposes, whereas only last week the people were asked not to use irons and various other electrical appliances during the hours when the draw by industries was at its peak. I find it difficult to reconcile those two things. The company is also to be at liberty to produce its own power if required. It is a big price to pay for the establishment of this refinery. However, it is a good thing. I do not object to the development of the country; I have said on many occasions that it is not half developed. We have no means of developing it; but oil, I would say, is next to the lifeblood of any nation. It is intended that when the refinery is in full production, something like 3,000,000 tons per year will be produced; roughly about 670,000,000 gallons.

It will be an advantage if the company can bring labour from overseas. I do not say that it should bring Kanakas or the Persians who chased it out of Abadan; but, so long as it brings good Europeans, that will be O.K. with me. If the company concentrates on the labour we have in this State, some of our industries will be badly hit. We have a fair amount of labour on the Goldfields; but tradesmen, who are very important to the industry, are scarce, and they are the ones who will be key men in the erection of this refinery. I refer to boilermakers, constructional engineers, etc. We have such men on the Goldfields and we want to keep them there.

I hope the company will bring men in those classifications from overseas. I do not say that men should not come from the Goldfields to this job. They are entitled to do so but it would be unfortunate if they did, and the goldmining industry would feel the pinch. Again I compliment the Minister and hope that this project will bear fruit, will go ahead in leaps and bounds, and will be of great benefit to the State.

HON. J. B. SLEEMAN (Fremantle) [8.32]: There has been some talk of decentralisation. We cannot always have decentralisation where we want it. For instance, the member for Hannans spoke about taking refineries inland and he quoted a couple of places to illustrate his point. However, I was a very interested listener to the Agent General for Canada a few months ago; and he pointed out that the oil concerns in Alberta did not refine the oil where the wells were situated. I think he told us—though I am open to correction—that the refining was done something like 1,000 miles away. They run the oil in a pipe to Lake Superior. Again I may stand corrected, but I think that was the place to which he said it was necessary to transport the oil. He said it was necessary for the refining to be done near a large river or a lake or on the sea front. What are we going to do in Western Australia?

It seems to me that we must have this refinery either at Fremantle, or at Geraldton, or at Bunbury, or at Albany. It could not be located at Northam, because there is no large river near, nor a sea-front, nor a lake to provide the necessary water. In its wisdom, the company decided that Fremantle was the one and only spot for such an enterprise. I think that Mr. Drake, the representative of the company, must have been reading "Hansard," and noticed what the member for Fremantle said about Cockburn Sound, and then he said, "We will go with the Minister for Works to see this famous place." I notice that the Minister, when speaking at a dinner the other evening, said that the member for Fremantle would be pleased to know that the harbour was not going upriver, but he added that it was not going where that member had proposed.

I want to tell the Minister that he is absolutely wrong in that assertion, because it is going to the exact situation I advocated for some of the shipping. I took Mr. Tydeman's word when he said that we only needed to have one wartime or peacetime accident and the whole harbour would be bottled up. I therefore advocated the removal of these oil ships and asked the Minister to see that they were shifted from Fremantle, because we did not want our port bottled up as the result of an explosion or a fire on one of them. I suggested that they be taken

to Cockburn Sound. I told him the depth of water there and in the channels made through Success and Parmelia banks, and I explained that the area was big enough to accommodate the British Navy, and the Navy had used it in wartime in preference to being bottled up in Fremantle Harbour.

I am pleased that Mr. Drake heard of what the member for Fremantle said and came over with the Minister for Works and saw for himself and substantiated everything I said. We have been told by the company that this is the one and only spot in Australia suitable for its refinery. So the company is here, or pretty nearly here, and I am pleased to know that that is so, because we need industries. We have always been anxious to build up industries in Fremantle and we have never been opposed to other ports getting their share. I am prepared to assist them to do so.

You will remember, Sir, that if it had not been for members representing the Fremantle area, Esperance would never have had its railway. Fremantle members did not take a dog-in-the-manger attitude and say that Esperance must not have a railway; on the contrary, they voted for it. I am sorry to say that another Government took office, and stopped it. But when my party returned to power, it was recommended and Esperance finally got its railway. I addressed myself for a number of hours, both this session and last session, to the matter of harbour development, and what I said has borne fruit. I am satisfied that, irrespective of whether the company had come here or not, the harbour would never have been extended upriver.

I think it is a great thing for Western Australia, for Fremantle in particular, that this company is coming here. One thing I would like to know, however, is what is going to be done with the material that will be dredged from the channels put through Parmelia and Success banks. I hope it will not be dumped into Cockburn Sound or even into Owen Anchorage or Gage Roads, because that would be a vast mistake. I would like to hear leading engineers on that point. I consider that the same should be done in Cockburn Sound as was done in the Swan River when the "Stirling" was dredging the river. The material was dumped on shore and the land became very valuable.

I hope that particular attention will be paid to the disposal of sewage in connection with this refinery and that we shall not have another pollution problem from Kwinana. If there is going to be sewage, it must be put somewhere where it will not interfere with the harbour.

Mr. Hearman: Do you want all the boats connected up?

Hon. J. B. SLEEMAN: I do not know anything about boats, but I hope that sewage will not be run into Cockburn Sound or we shall have the same problem that Liverpool has experienced through sewage being run into the Mersey River. I am pleased to know that there will not be further pollution of the Swan River through the harbour being taken upstream. There is also the housing problem about which some members have spoken. I trust this project will not interfere with the housing position of the other people in the State. I agree with the member for Leederville that it would have been just as good for the Anglo-Iranian Oil Company, and better for the State, had the land been made leasehold on a 99 years' lease, instead of freehold.

I remind members that the people of Fremantle have always been anxious to build up industries, and they have done something to that end. The Fremantle City Council, in connection with the first portion of land that was made available to industry along Carrington-st., gave the land at something like £1 an acre, with certain expenses paid. As a result, Fremantle had some industries established there, and I think it will get further industries. We have increased our industries quite a lot in the last few years, and I am satisfied that this refinery will not be the last one we will get. I am not against other ports having their share. If Albany can get any industries I shall be the first to assist it, and the same with Bunbury, Geraldton or any other port.

We do not take a dog-in-the-manger attitude in Fremantle. I trust that the places I have mentioned will all get some industries before long. I wish this venture every success and congratulate the Government for doing the right thing. This Ministry was in the seat of Government, and I congratulate it, but I am not going to say that if the Opposition had been there it would not have done the same thing.

I warn the Anglo-Iranian Oil Company to be careful with these people because of the attitude they adopted in connection with another matter. Mossadeq told the people in Persia to get out, and this Government told the Fremantle Electric Light and Tramway Board practically the same thing, notwithstanding there was an agreement to last for something like another 15 years. This Government said, "You will sell to us; get out or else".

Mr. W. Hegney: It is in the agreement that the Fremantle Tramways have to get out.

The Minister for Works: That is not correct.



Hon. J. B. SLEEMAN: Notwithstanding there was a period of another 15 years to run, the Government said, "You sell out, get out, or else." The board said, "What can we do?" It was forced to get out. I say to Mr. Drake, "Make sure the Government is not going to do the Mossadeq trick with you because it did it with the Fremantle Electric Light and Tramways Board, and if it has done it with one it will with another."

MR. GUTHRIE (Bunbury) [8.43]: I add my congratulations to the Government to those of former speakers for obtaining this great industry at Fremantle. I wish it had been at Bunbury. It will be a great magnet to people in the country, but I am sure the Government will do all in its power to stop people coming to Fremantle and this Kwinana industry. In the "Daily News" tonight under the heading "Ten Men Put Off at Bunbury" we find the following article:—

The Coastal Dock Rivers and Harbour Workers' Union had been told that 10 men were retrenched from the Bunbury Harbour Works last Friday, secretary P. L. Troy said today.

The union was concerned at the situation, particularly in view of the programme of jetty extension that had been prepared, he said.

The sudden dismissal of the 10 men from a job that should be engaging more labour suggested a change of programme in relation to Bunbury's harbour.

Among those put off were some who had migrated to Australia for an opportunity to work. Now they were unemployed in a town where alternative employment was limited.

Mr. Troy said that his union protested against what appeared to be a definite sign of delaying the Bunbury programme.

The Minister for Works would be asked to have the men re-employed at Bunbury.

We in Bunbury are looking forward to the time when the harbour will be finished. We have been criticised, but when the harbour is finished we hope to take larger ships. I trust the Minister will answer me when he replies to the debate.

MR. GRAYDEN (Nedlands) [8.45]: I would like to add my praises to the Government to those of members who have already spoken. I feel that the Opposition has been very fair in its comments on this undertaking and the measure before the House. It has accepted the position in a good spirit, and has not been slow to congratulate the Government upon the energy and initiative it showed in gaining the industry for Western Australia. I feel that the establishment of the refinery marks a turning point in our economic

development. Up to this time we have been almost exclusively an agricultural State, with an economy based on agriculture. Now, with the establishment of the oil refinery and the steel rolling mills, the emphasis is gradually going to the industrial side.

Mr. Hutchinson: More balanced.

Mr. GRAYDEN: It is becoming more balanced. I feel that any nation should strive to avoid an unbalanced economy, so that it does not have all its eggs in one basket. Then if the price of primary production falls it will not be at a complete loss but will have its secondary industries to fall back on. In the same way, a nation with large secondary industries must never neglect the agricultural industries. The refinery will employ in the vicinity of 5,000 men during its construction, and I believe, after it is completed, in the vicinity of 1,000. This will add greatly to the number of people engaged in secondary industries in the State, because to the numbers I have quoted must be added the number of people in the subsidiary industries established around the refinery. I believe that in the long run they will far outnumber those actually working at the refinery.

We will, in the refinery, have something of which the State will be proud in the years to come. The annual production from it will equal that of any other industry in Australia; any other firm in any industry in Australia, including the largest. For the first time we have an industry in this State equalling anything to be found in the East. Some members have criticised certain aspects of the concessions the Government has made in order to have the refinery established here. I would like to say that even if we had to make a great deal more in the way of concessions than we have already done, it would still be worth while. I point out that we have given as many concessions to other industries such as Wundowie, Chamberlain Industries and so on in order to see secondary industries established in this State.

Hon. J. T. Tonkin: Do you say, as many concessions?

Mr. GRAYDEN: I should say it would involve the Government in at least as much financial expenditure.

Mr. Hutchinson: Comparatively.

Hon. J. T. Tonkin: You said "as many."

The Attorney General: I think Wundowie will be more.

Mr. GRAYDEN: The industries I have enumerated will involve the State in great expenditure, and I do not see that we are giving much more in the way of concessions to this company, which will employ infinitely more people and will be of greater value to the State. I have not quibbled at the concessions given in order

to establish those other industries because I know how necessary it is that they should be brought to this State, but if such action is fair in one case it is fair in another and for that reason I do not think the Government should have any qualms about the concessions it has made to this company. They are moderate and are worthwhile in the interests of the State.

The question of housing was raised, but I would remind the House that we are bringing into this State many thousands of people annually in order to build up our population and industries. Surely those who are to come here for the purposes of this refinery will also be building up our population and industry. I presume that the Commonwealth Government will not have to bear one penny of expense in bringing these migrants here, and by this agreement we are therefore going to attract to Western Australia a large number of people, with jobs already provided for them, at no cost to the Government. Even if we have to provide homes for them—just as we are doing in the case of so many more migrants—we still stand to gain heavily by the bargain.

I believe that the oil refinery will be of great importance in regard to the construction and maintenance of roads in this State, as I gather that bitumen will be one of its byproducts. Members can realise the value of readily available supplies of bitumen in that regard. No-one who is familiar with the Kwinana area can be unaware that there is plenty of artesian water to be tapped on that part of the coast. It is there in almost unlimited quantities and the market gardens of Spearwood and surrounding districts are already utilising it.

I do not think there will be any water problem to be overcome at Kwinana and I am certain that the Government will, in this regard, be involved in very little expense. I would also point out that the land which the Government has ceded to the refinery is almost worthless for any other purpose except as a holiday resort and, though the agreement means taking a small slice of our coastline and devoting it to industrial purposes, that is essential for the development of the State. All in all, I think the Government has made a very good bargain indeed and it should be congratulated on the manner in which it has conducted the negotiations.

**MR. MAY (Collie)** [8.53]: The Leader of the Opposition has already made extensive observations on this Bill and the agreement contained in it. I, like the member for Northam, propose to support the Bill, although I feel that the agreement could have been framed differently and that the company has done very well for itself. I would not be surprised if, at this stage, the company were kicking

itself for not having made an even better bargain. I believe the State is going to pay a heavy price for the establishment of this refinery, owing to the conditions contained in the agreement embodied in the Bill. Members will naturally view this matter firstly from the State point of view and, secondly, from the more parochial view of the particular portions of the State that they happen to represent.

As regards my own electorate, this measure is causing me a great deal of speculation on what may be the impact of this oil refinery on the coal industry of the State. The Minister may airily wave my fears aside and say that there is no possible danger that the refinery will affect our coal industry.

**The Minister for Works:** Has such been the case in any other part of the world?

**MR. MAY:** I am dealing with the position as I see it and with the possible effect on our coalfields of unrestricted use of diesel oil in this State. If it is not controlled a position could arise where our coal industry could be ruined, though I am sure no-one in Western Australia wishes to see that brought about. I must reiterate, however, that diesel oil will be one of the byproducts of the refinery. We have already heard the member for Nedlands state that bitumen will be one of the byproducts and that it will be readily available for roadmaking.

We have now, in this State, an assistant Commissioner of Railways who is very much in love with diesel engines and who, in fact, can see no good in anything else. I want to know what is going to happen if diesel oil is made available in unlimited quantities and at a reasonable price in this State. If that occurs I know what will happen to our railways unless the Government protects our native fuel. Already, under the policy of this Government, 50 diesel engines are on order and members can imagine the difference that they will make in the consumption of Collie coal.

**The Minister for Works:** Is not diesel oil available in large quantities now at comparable prices?

**MR. MAY:** No. A question that must be dealt with is that of whether this company will provide diesel oil for use in this State at a lower charge than the present cost to users of that fuel. The Minister made no reference to that aspect in his speech, but it is only fair for me to assume that it could happen. If diesel oil is made available in this State in large quantities and at a low price I know what will happen to our coal industry. At the moment people are saying to me, "Do not worry, this oil refinery will not make any difference to the Collie coal industry." But these things have happened before

and I want to strike a note of warning during the course of the debate that it is possible it may happen again.

The Minister for Works: What would happen if we discovered oil in Western Australia?

Mr. MAY: The same thing might happen, but oil has not been discovered in Western Australia and there is no oil available other than what is brought to our shores in tankers.

The Minister for Works: That is so.

Mr. MAY: If we discovered oil in Western Australia, I would say, "Good luck to the people who discovered it." But I cannot see the point in bringing crude oil to the State and refining it in such quantities as will sound the death-knell to another industry already established here. It might not happen at all but—

The Minister for Works: You are being very pessimistic tonight.

Mr. MAY: No, I am not.

The Minister for Works: Yes, you are.

Mr. MAY: There is nothing pessimistic about my attitude. It is no use crying over these things after the damage has been done and I want it recorded that I, and the people I represent, have had a voice in regard to the possibility of what could happen in the future as a result of the installation of this refinery. I have no objection to the establishment of the refinery and, as I said before, I am prepared to support the Bill. But we should take due cognisance of the fact that it is possible to bring crude oil into this State in large quantities, refine it and subsequently produce it, and sell it at such a price and in such quantities as would entice every industrial user to change over to diesel oil instead of using Collie coal. I do not think there is anything pessimistic about that. It may not happen but the possibilities are there and I point them out to the Minister, because when he introduced the Bill he made no reference to that aspect.

I think some assurance should be given to the people of this State, especially the people who are engaged in the coalmining industry. Those people have rendered good service to the State, and some assurance should be forthcoming that there is no intention to swamp Western Australia with diesel oil and so encourage people to use it in preference to our local fuel. I agree with what other members have said about the measure, and the company is to be congratulated on its achievement. I wish the company every success and am sure that the refinery will be a monument to this State, provided its activities are carried on in the way I hope they will be.

There is nothing in the agreement as to what quantity of diesel oil will be made available to the State and there is no

mention of the price likely to be charged. I admit that it would be difficult to tie the company down in that respect, but I think some assurance should be given that whatever happens the coal industry of this State will be protected from any interference. Other members have covered the ground fairly well and I hope the company will make a success of the job. I support the Bill.

MR. HEARMAN (Blackwood) [9.5]: With other speakers I would like to congratulate the Government on its success in enticing this company to establish its refinery in Western Australia. The House should recognise that with a project of this nature the people who represent the company know what they want and have said, quite definitely, that they must have certain things before they can establish their industry. If the Government wants the industry to be established in this State it must see that the company obtains those things. It is no use saying to the company, "Yes, we might be able to give you land, although we do not know whether somebody else may want it. We might be able to give you some water but probably other people will want it as well. We cannot really guarantee you power because occasionally the power house breaks down, and we certainly cannot guarantee you houses because we have a housing problem." And so on!

If we did that, the company would not come to this State. It is necessary that the Government should give a genuine and sincere undertaking to supply the company's requirements, and I do not think the Government has been unreasonably generous in saying that the company can have such water, power, roads, harbour and shore facilities as it requires; they are absolutely essential. The question of housing has been raised and as far as the company is concerned, that is another "must."

We cannot expect the company to establish an industry in this State if it cannot obtain housing for its employees. In that connection, too, the Leader of the Opposition has been completely logical, as far as his political persuasions will permit him. He has not joined issue with the Government because it has undertaken to provide houses. He has merely said that he does not like the idea of houses having to be sold ultimately to the employees of the company.

I can understand that, although I do not agree with him; he is being consistent with Labour's policy, but I hope that all the houses are sold. However, I find it rather difficult to follow the logic of some of the other speakers on that side of the House. Some of them are inclined to criticise the Government because it has undertaken to adopt this policy in regard to

Housing. That policy seems to me to be the one which the Labour Party itself advocates. We have heard it frequently stated in this House that the Government is responsible for housing the people. In this case that is exactly what the Government has undertaken to do.

Mr. Needham: Is it not a Government responsibility?

Mr. HEARMAN: This is the agreement and I expect the Government will live up to it.

Mr. Needham: What about the 11,000 people awaiting rental homes?

Mr. HEARMAN: The member for North Perth says, "What about the people who have no homes?" I say that the company would not have agreed to establish an oil refinery here if we had said, "Well, as far as housing is concerned, we will give a priority to people who are already here. We will give you no undertaking on that score and your people can struggle for houses as best they can." In those circumstances, does any member think that the company would have established a refinery in this State?

Members on the other side of the House have said that the company should provide its own houses. Apart from the fact that that conflicts with Labour's own policy, I suggest that there are certain things that have occurred recently which would virtually rule that out. While negotiations were proceeding with the company, we had a strike on our waterfront. That was a political strike with housing as the bone of contention. As members are aware, I come from the country and I do not profess to be particularly well informed as to the origin of the strike; who was responsible for organising it and so on.

I do not know whether the member for South Fremantle was responsible for organising it or whether it was Messrs. Hurd and Troy; whether he followed their lead or they followed his. However, a political strike of that nature must have had an adverse influence on the representatives of the company who only recently suffered a sad experience in Persia as a result of agitation there stirred up, I believe, by factions not entirely unconnected with communistic agitators. I suggest that they would be rather sensitive about the strike at Fremantle and for that reason it was unfortunate that the then acting Leader of the Opposition did not see fit to make a clear statement as to where the Opposition stood in relation to that strike; that is, whether they believed in a political strike or not. It must have had some bearing on the outlook of the representatives of the Anglo-Iranian Oil Company when negotiating with the Government.

In any case, knowing the attitude that members opposite have adopted towards landlords generally, there would not have been any great inducement to any company to become a landlord to the extent of 1,000 houses. I suggest that that Fremantle wharf strike, which was a political one, was particularly unfortunate in view of the negotiations that were proceeding on this agreement. Any chance the Government might have had in inducing the company to erect its own houses would have been lost as the result of that strike. Personally, I would have preferred the company to erect its own houses. I do not wish to see the State as a big landlord. Unfortunately, that is one of the prices we have to pay.

Hon. J. B. Sleeman: Do you think the unions should have stood by and let its members be thrown into the street?

Mr. HEARMAN: I do not believe in political strikes.

Hon. J. B. Sleeman: That was not a political strike; it was an industrial strike.

Mr. HEARMAN: Anyway, it was something which would not have encouraged any company to erect its own houses.

Hon. J. B. Sleeman: Do you think that what the Government has done to the Fremantle Tramway Board would have stopped the company from coming here?

Mr. HEARMAN: It does not appear to have done so. In any case, I have expressed my opinion, and I repeat that I would like to have seen a clear cut statement coming from the Acting Leader of the Opposition on the matter at the time. A recent London report discloses that Mr Deakin, the Secretary of the Transport Workers' Union in London, is condemning the holding of these strikes in England. That is a very sound step and it is a pity that we do not have a similar statement issuing from the Opposition here. The company's attitude was quite clear and the Government had no doubt as to where it stood. There has been a good deal of talk about decentralisation which, without much thought, has become a political catchword.

No doubt it is desirable that we should decentralise industry, but it is even more desirable to ensure that industries, particularly new ones, are established in the right places. The sites for such industries must be close to power, housing, transport and water facilities. Outside the metropolitan area at the moment there are few places that are able to provide all these requirements. Therefore, whilst it may be desirable to try to encourage decentralisation over a period, I do not think it is right for anyone to say the Government should be able to bring about decentralisation overnight.

There are a number of industries that could be established in the country, such as those depending on the raw materials which are produced from the soil. I refer to flourmilling and food processing. It would be desirable to establish those industries in the country if possible. Nevertheless, it is not always wise to establish heavy industries in the country. They must be established on the most suitable sites. A great deal has been made of the fact that the establishment of the refinery will have a considerable effect on the rural industries and that workers will be attracted to the city from the country. As to that, no matter where it was put there would have been a certain number of workers from the country migrating to the refinery.

For example, in my own home town certain industries have been established and, undoubtedly, labour has been drawn to them from surrounding farms. If other industries were established in the country at present, the same thing would be experienced. I do not think that the establishment of the refinery will make much difference to the labour problem in rural industries. I am, in common with a good many other members, greatly concerned as to the shortage of labour in rural industries, but I am not going to blame the establishment of the refinery for a further decrease because it is already taking place to a great extent now. The wiser course would be to look for the present cause rather than blame the establishment of this refinery for any further decline in the future.

The feeding of the people who will enter the State is an extremely important question which has been raised tonight by some members. If we cannot do that, then we have a poor outlook indeed. Instead of merely maintaining our present rate of production, we should considerably increase it. It has been suggested that production in the dairying industry should be increased by 40 per cent. over the next ten years in order to keep abreast of our local demands. However, that is a matter for another debate.

If we are not able to increase our rural production, I consider that it is a reflection on us, as members of this House, because it would mean that we do not know our jobs. I would suggest that it might be a good thing if metropolitan members made a point of travelling round the country areas in order that they might study the rural problems at first hand. If they had a greater knowledge of our needs, it would go a long way towards adopting the necessary measures that are required to increase production in the rural areas.

**HON. J. T. TONKIN** (Melville) [9.18]: There can be no doubt that ultimately the establishment of the oil refinery at

Kwinana will be of tremendous benefit to Western Australia but, in the immediate future, it will present us with many difficulties and create great hardships. The question arises as to whether we feel we are justified in subjecting the State to these hardships in order to derive ultimate benefit. I think we are. I believe that any Government which failed to take the fullest advantage of this great opportunity would have been lacking in its duty. I will say, to the credit of this Government, that it realised its duty and it took steps with all expedition to make known to those in authority in the Anglo-Iranian Oil Company that Western Australia had certain advantages to offer which should prove attractive to it. I believe that the Minister and those associated with him used all despatch, when they knew there was a possibility of the industry being established, to get into contact with those who had the say in the matter in order to bring the industry to Western Australia if possible.

If the Government had failed to do its duty in that regard—and I say it would have been the duty of any Government in Western Australia or any other State to have done so—then it would have been entitled to have received—and it could not have blamed anyone if it had received—very great censure for not having taken active steps to bring this industry to the State. Having done so and realised its duty, and having successfully negotiated this deal, it is entitled to the warmest approbation, and without any hesitation I congratulate the Government on its success in this direction. To me it seems the only bright spot in a barren period of office.

The Premier: You have spoilt a good speech!

**HON. J. T. TONKIN**: I also congratulate the company, because I think it has done a marvellous job for itself and I feel that Mr. Drake is entitled, without any doubt, to an increase in salary. If his principals realise what an excellent job he has done for his company, I have no doubt he will receive satisfactory tangible recognition, because I think he has earned it. I have no faith whatever in this Government's undertakings or forecasts and I have very good reason for my lack of faith. During its period of office, the Government has made a number of promises—I am disregarding completely the promises it made before it took office—not one of which has been fulfilled. Let me give the House an idea of the Premier's capacity for forecasting expenditure. In 1947-48, he budgeted for an expenditure of £5,000 with regard to the subsidy for the road cartage of super, and he spent £48,000, nearly ten times as much.

**Mr. Nalder**: What would you have done?

Hon. J. T. TONKIN: I am dealing with his forecast, not with his expenditure; I am not complaining about his expenditure. Having had the experience of that year, when he spent ten times as much as he budgeted for, one would have imagined that he would have made proper provision the next year; but what did he do? He forecast an expenditure of £500 and he spent £100,000. That is an example of his capacity for forecasting his probable expenditure. The next year, 1949-50, after the experience of the previous year when he spent £100,000 after providing for £500—

The Premier: You know why £500 was provided.

Hon. J. T. TONKIN: Why?

The Premier: In case that expenditure would be required. We did not know what the capacity of the railways to cart super would be. We had to provide some amount.

Hon. J. T. TONKIN: Do you hear that, Mr. Speaker?

The Premier: He should have; it was loud enough.

Hon. J. T. TONKIN: The Premier was not in a position to judge reasonably well what the capacity of the railways was to carry super. That is precisely my point. The Premier is not now in a position to judge what the capacity of the Housing Commission is or, what the capacity of the Public Works Department is to make good the undertakings in this schedule.

The Premier: I am in no position to judge what the capacity of the railways is, with all these fellows on strike. They are disrupting the State's economy.

Hon. J. T. TONKIN: The Premier is now becoming political, because the matter with which I am dealing is sheeting it right home to him.

Hon. A. R. G. Hawke: The railways could not bring the member for Albany up to date.

Hon. J. T. TONKIN: In the next year, the Premier did become a little more realistic and budgeted for an expenditure of £180,000 and spent £240,000. Anybody looking at that estimate and the actual expenditure would say it would be absolutely impossible to make a worse job of it. I cannot imagine anyone with any knowledge at all of what had been done and what was likely, and having the advantage of suggestions from this side of what would occur, making a forecast like that which was completely useless as a basis on which to judge anything. Now let us see what the Minister for Housing has said from time to time in regard to what was going to happen at the brickworks.

There have been announcements every three or four months that the brickworks were going into production, when there would be wire-cut bricks. Yet the Min-

ister was months and months out and caused no end of trouble in the Housing Commission, and amongst the people because they were led to believe that the bricks would be ready months before they actually were. As another example, let us take the South Fremantle power house. An announcement was first made that we could expect current at a certain time; then it was going to be before the end of the summer; then before the winter. Finally, the Minister realised he ought to be more careful before making any further pronouncement. The power house did not come on load until 12 or 18 months later.

The Minister for Works: Were there no pronouncements made about the Royal Perth Hospital?

Hon. J. T. TONKIN: I am making announcements about the forecasts which this Government has made without living up to its undertakings. I challenge anybody to give me a single instance where this Government has made a forecast in regard to any major work that has come anywhere near the actual result that has been achieved.

Hon. A. R. G. Hawke: Can we have some information about the Premier's forecast regarding the time that inflation would come to an end?

Mr. SPEAKER: The hon. member must get on to the Bill.

Hon. J. T. TONKIN: I am on the Bill. The very basis of this is an agreement on the part of the Government to build houses, to supply electric power, to build roads, to put in sewerage, to provide a water supply, and I am endeavouring to show that too much reliance should not be placed on these undertakings, because the Government will not live up to them.

The Premier: Be careful you do not frighten Anglo-Iranian away!

Hon. J. T. TONKIN: I think Anglo-Iranian should know where it stands.

The Premier: I think it does.

Hon. J. T. TONKIN: Then the company is not believing what it has been told. Here is our position in regard to the water supply. If we have two days' hot weather in succession, there is a scream in "The West Australian" immediately that if people are not more careful with the consumption of water, restrictions will be imposed.

The Minister for Works: That has been the case for years.

Hon. J. T. TONKIN: That has been the case this summer. The fact that it has been the case for years only makes the situation worse. If it has been the case for years that the Government has found it necessary to want to impose water restrictions after two hot days in succession, what are the possibilities of being able

to supply 3,000,000 gallons extra for the requirements of the Anglo-Iranian Oil Co.?

The Premier: You know that action is being taken to increase water supplies.

Hon. J. T. TONKIN: Where is the Government getting the pipes?

The Premier: They are coming.

Hon. J. T. TONKIN: When I endeavour to get an extension of an existing main in my district to supply water to people who want to build homes, I am told, "There are no pipes. It is difficult to get pipes."

The Premier: Not "no pipes"; insufficient pipes.

Hon. J. T. TONKIN: I was told there were no pipes.

The Premier: They are coming to hand all the time.

Hon. J. T. TONKIN: In a trickle.

The Premier: More than a trickle.

Hon. J. T. TONKIN: I have in my satchel a letter received today from the Under Secretary for Water Supply telling me that he hoped to be able to put in an extension to a main within four weeks. So we have to wait another month for a small suburban supply. That is the present situation with regard to piping, and it will become worse, because of the import and financial restrictions imposed by the Commonwealth Government.

The Premier: I do not think you are right.

Hon. J. T. TONKIN: I am afraid I am.

The Premier: I do not think you are.

Hon. J. T. TONKIN: Can the Premier explain how, overnight, he is going to change these circumstances in which building all over the countryside is held up because water cannot be laid on to enable operations to be proceeded with? Yet we are to go ahead and supply this additional water to the company. How is the piping position going to change so suddenly when it has been so bad for years and is still bad and we have to provide this new water supply? I should like some data as to how it is going to be done.

With regard to housing—and here is another instance of our being unable to rely upon the undertakings of the Government—the Minister for Housing in this House within the hearing of most members and backed up by the Premier said, "We will house all evicted persons". Has he been able to do it? Every member can give the answer to that question. He has fallen so far short of being able to do it, as the figures indicate, that there are on an average 25 evictions a week and the Housing Commission is providing 10 houses. Members heard the member for Leederville mention tonight a case of an applicant admitted to the priority list in January, 1947, and still waiting for a

house. Thus in housing we have a five-years' lag. That is the position—a five years' lag already, and we are undertaking to build 333 houses a year in each of three years.

The Premier: Do you think the Anglo-Iranian Company or any other great industry could go to any country where it would not find a housing lag?

Hon. J. T. TONKIN: I am dealing with our capacity to make good the undertaking given in the agreement. We have promised the company to provide 333 houses a year in each of three years, and I am endeavouring to discover whether we can do it. If we can do it, it will be only by an almost complete cessation of the rest of the housing being carried out by the Government, and already it has been so placed in difficulty over the evictions that it has scarcely allotted a house to priority persons for months, and there is a five years' lag in applications for Commonwealth-State rental homes. With that lag and with a curtailment of funds, the Government is still undertaking to build these houses for the company. The Premier should tell us where the money for this work is coming from. I read in "The West Australian" this morning a very interesting statement.

The Premier: An interesting statement on housing appeared in "The West Australian", I think this morning.

Hon. J. T. TONKIN: In what part of the paper?

The Premier: On the front page.

Hon. J. T. TONKIN: Did it contain more untruths?

The Premier: It contained very interesting information.

Hon. J. T. TONKIN: If it was information such as the Minister for Housing has been supplying, it is useless, because it is erroneous.

The Premier: This is good. It is most encouraging.

Hon. J. T. TONKIN: The Premier will not smile at the statement I am about to read regarding the Commonwealth Government, as follows:—

The Cabinet is planning an austere Australia in the next 18 months on the theory that by 1953-4, there will be stability unless a major drought or a world catastrophe intervenes.

This is what I wish to emphasise and it is something we cannot run away from—

The Federal Government has already decided that it will not guarantee the loan programme next year. That is something for the Premier to laugh off.

The Premier: I knew all about that long before it was published.

Hon. J. T. TONKIN: Then the Premier should tell the House where he is going to get the money to carry out the undertakings he has given to the company because the money is not in the Treasury now and, if the Commonwealth is not going to guarantee the loan programme next year, he is not likely to get all he requires to make good his undertakings to the company. The Premier will need a lot more money than he had last year.

The Premier: That is a hurdle we shall take when we get to the Loan Council. That is the body that decides what the borrowings shall be, not the Commonwealth Government.

Hon. J. T. TONKIN: So these undertakings given to the company must be subject to a number of things and, in all fairness, the company must understand that. This agreement can be regarded as representing the hopes of the Government, not undertakings. I would call them hopes and desires, not undertakings or guarantees.

It is a little amusing to find that the contractor who undertakes the dredging will be under a penalty if he falls down on his job, but the Government will not be under any penalty if it falls down, and fall down it will. I am saying here from my place in the House, with a full sense of responsibility, that the Government will fall down on the undertakings given in this Bill, not through any lack of desire to carry them out, but through sheer inability to make them good because of a lack of proper appreciation of the difficulties involved.

When we provide houses for people and bring people here from other lands, they bring children. Children have to receive education. To give them education requires classrooms and teachers. What is our situation today? The worst it has ever been in the history of the State! I give the Minister for Education full marks for battling to increase the number of school buildings, classrooms and so on but, despite that, he has fallen further and further behind. This afternoon he supplied me with information in answer to questions, and we cannot get away from this information because the Minister for Education, when he answers questions, does tell the truth, and unfortunately I cannot say that for all Ministers. I asked the Minister for Education a question about the number of classrooms of which we were short, having regard to the State's requirements for educational purposes. This is the first question—

(1) What is the estimated shortage of classrooms to meet present requirements on the basis that no class exceeds 50 in number and the leaving age remains at 14?

I should say at this stage that, when on the hustings, the Liberals advocated classes of less than 40.

The Premier: Purely an objective.

Hon. J. T. TONKIN: I am saying 50.

The Minister for Health: Some have 45.

Hon. J. T. TONKIN: The Minister for Health cannot tell me one.

The Minister for Health: Subiaco.

Hon. J. T. TONKIN: One class?

The Minister for Health: No, one school.

Hon. J. T. TONKIN: One school has classes of 45?

The Minister for Health: The headmaster has had instructions to make it 45.

Hon. J. T. TONKIN: I will say definitely that there are classes in excess of 45 at Subiaco.

The Minister for Health: At present. There will not be in a short time.

Hon. A. R. G. Hawke: Why has Subiaco been chosen to receive this special instruction?

The Minister for Health: Because of its good member!

Hon. J. T. TONKIN: I am talking about the present. Furthermore, the Government undertook to lift the school-leaving age to 15. It made a definite promise in that regard when on the hustings, but it has no possible hope of carrying it out. So my question was based on the assumption that the school-leaving age will remain at 14. The Minister's answer was—

The extraordinary annual increases in school attendance during the last three years varying between 3,300 and 5,200 per annum as compared with 500 or less in the immediate prewar and postwar years has resulted in an unprecedented demand for classrooms. Approximately 250 classrooms are therefore required this calendar year to replace buildings belonging to others and to accommodate increased school numbers on the basis mentioned by the hon. member.

So on the basis of the school-leaving age being 14 and classes of 50 children, we are 250 classrooms behind now. At £3,000 per classroom—and that is a conservative estimate—we require £750,000 to meet the existing need for classrooms alone. Has the Premier got that money? The answer is no. We will have to build additional classrooms for the children of these 5,000 workers, or more, who will be attracted to Kwinana. We will have some thousands of children there. With 50 to a class, I



will leave members to work out how much more money is involved in that alone for school purposes. That has to come out of loan funds. Or are the children to go without education?

We have to face the facts. Much as it may be unpalatable to do so, it is as well to be realistic about the matter and know exactly how we stand before we take on this stupendous task. It is indisputable that with regard to school accommodation the State was never in a worse position than it is in today and there is proof of that in the Minister's own words. My second question was—

- (2) What is the number of buildings belonging to others which are being used as classrooms by the Education Department?

The answer was 92. So we are using 92 public halls and buildings of that nature to house our children already, mostly in country districts. Those youngsters should be in proper classrooms. But while they are in those public halls we are undertaking to provide educational facilities for people not yet in the country. Then I asked this question, and because it was a ticklish one, the astute Minister evaded it—

- (5) Is shortage of loan money now a factor in limiting the number of school buildings to be provided?

The answer should have been yes, because it is. I know it is, and the Premier knows it is, because some of the men who build schools for the Government year after year have in recent weeks been finding difficulty in getting contracts, not because we do not need the buildings but because there is no money to pay for them. If the Premier wants any proof, I will furnish the name of the contractor who told me. That is a fact. Because of a shortage of loan money, classrooms which are badly needed in the country cannot be provided—not through a shortage of material; not through a shortage of labour; but through a shortage of money. The Minister did not answer my question in the way it should have been answered, with a straightout yes or no. This is what he said:

Loan expenditure, 1950-1951, £510,386;  
End February, 1952, £462,452.

Estimate for balance of the year, approximately £230,000, i.e., estimated total current financial year, £692,000.

In other words, he tried to blind me with science. That does not alter the fact that I know and the Premier knows that there has been a curtailment in the building programme of schools because of lack of finance. So the answer to my question is that the shortage of loan money is now a factor in limiting the building of schools.

That is adding some more to the back-ground upon which we are building these undertakings to do these things for the Anglo-Iranian Oil Company.

I am not complaining that we promised to do them. What I am complaining about is that we will not be able to carry them out, because the Government has not a proper appreciation of the difficulties confronting it; and it is not much good promising people we can do things when we have no possible hope of doing them. It reminds me of my experience with the railways during our term of office. When I was endeavouring to ascertain how much wheat the railways would haul, I would send around for information as to what the railways could do, and I would never rely on the figures they sent me because they would always promise to do five or six times as much as they did.

Mr. Ackland: They have not altered much in the intervening years.

Hon. J. T. TONKIN: It was unfortunate, but nevertheless a fact, that we could never rely on their figures. If the Australian Wheat Board wanted to know whether we were going to use road transport for wheat, the railways would send figures to show that that was not necessary and that they could haul all the wheat. I used to take no notice of that and tell the Australian Wheat Board that we were going to use road transport; and it was a very good thing I did so.

If we are going to give undertakings that we will do certain things, we want to be within measurable distance of being able to do them. I do not believe the Government can live up to its undertakings to provide water supply without very serious dislocation elsewhere. I do not think it has the money to get the pipes; I do not think it could obtain the pipes. I say that with the knowledge I have of the situation as it exists in my own district where scarcely a day goes by when I am not battling to get a supply for somebody who cannot build because there are no pipes to make short extensions. We know what the supply of water is like in the metropolitan area, because with two hot days in succession there is a scream in the paper that if we are not careful we will be put under restrictions.

The member for Fremantle raised an interesting point when he said it was intended to put the spoil that was taken from the dredging in three locations. He got his information from this morning's "The West Australian" which states—

The material will be dumped in three selected separate spoil grounds, one near the southern side of the Parmelia Bank, one in Owen's anchorage and the other in Gage Roads.

I hope the Minister will tell us whether that decision has actually been made and, if so, who made it, because I do not like it, and here are my reasons: I quote from

a report by Charles Stewart Russell Palmer on Fremantle Harbour Works, Western Australia, page 8, as follows:—

The possibility of silting of a harbour or its entrance, whether through continuous sand-travel or through local movement to and fro, has been a source of anxiety to every engineer who has had to deal with the design of proposed harbour-works in this locality.

The Attorney General: What is the date of that?

Hon. J. T. TONKIN: It is 1910-11. This is a report which he gave to the Institution of Civil Engineers. There is evidence in this book of considerable sand travel in these channels, which causes me to wonder whether this will be a wise procedure. There is a statement from Sir John Coode who says that the Success and Parmelia banks were the result of an accumulation of sand in this area, and that they were fed by a preponderating southerly movement of sand through Gage Roads and along the coast. Now it is proposed to dump some of this spoil in Gage Roads.

If there is a movement of sand through Gage Roads it is conceivable to me that the sand might be re-deposited in the channel from which it was dredged. There does not seem to be much sense in that. It would be safer to do as the member for Fremantle suggested, namely, reclaim the land on the foreshore with the spoil. That is what O'Connor did. There is a distinct record of what occurred to the spoil he took out, and the movement of it. Referring to the dredging that had taken place when the Fremantle harbour was being formed, we find this interesting statement—

Of the dredgings, a small quantity of suitable stone was deposited on the line of the north mole, and about 3 per cent. was pumped by one of the suction dredgers on to the area to be reclaimed, still leaving nearly 9½ million cubic yards to be disposed of. It was decided that the most suitable dumping-ground for the dredgers and barges was along and not far from the shore, north of the north mole. Contours of the ocean-bed adjoining the river-mouth taken in 1897 disclosed the proximity of the 2-fathom contour to the shore north of the river. This was dangerous; for a breach, in storms of the narrow isthmus connecting Rous Head with the mainland had been threatened more than once, and had occurred once. Dumping of the dredgings was commenced, therefore, near the north mole and continued farther afield as each patch of ground was rendered too shallow for use. Ultimately the spoil was spread over an area bounded on the south by the north mole, on the west

and north-west by the 3-fathom contour of 1902, on the south-east by the shore (as near, that is, as the dredgers and barges could get), and on the north-east by a line in continuation of River Street.

Of the whole quantity dredged and deposited in the years 1893-1901, namely, 8,321,000 cubic yards, about 63½ per cent. remained within the area of deposition, and a further 17 per cent. was redeposited by the sea outside this area but within the limits of the soundings: of the balance, 113,000 cubic yards, or 1-1/3rd per cent., went to advance the foreshore, and the remaining 18 per cent. was entirely lost. An analysis of the weather-conditions in three periods from 1899 to 1901 shows that there was some correspondence between the weather and the percentage of dredgings drawn out to sea and lost to ken. These lost dredgings were not carried to the south of the harbour so far as the soundings showed, for comparison of the 1893 and 1903 contours disclosed the fact that south of the entrance-channel there had been practically no change in the ocean-bed. Even the patch south-west of the end of the south mole had remained in the same condition throughout the 10 years.

Apparently we propose to put this spoil in Gage Roads, Owen's Anchorage and on the south side of the Parmelia Bank. I suggest to the Minister that he get some other expert to look into the matter. This man should have access to the soundings, and know of the experience in the port over many years, to see whether it would not be better to deposit the spoil along the shore. There would then be less chance of its being re-deposited in the place from which it was taken; and at the same time it would provide additional land.

I wish to comment on one or two points in the agreement. I think it was the member for South Perth who interjected that the Government was not going to provide internal roads and footpaths. That is only half true. The Government is going to provide and maintain internal roads and footpaths in the construction area but not on the refinery site. There is a distinction there. The Minister did not make that clear, and the member for South Perth certainly had a wrong impression. I am definitely of the opinion that, in view of the prize to be obtained, the Government was entitled to bid high, but it was not entitled to bid beyond its capacity and I am afraid that is what it has done, and that it will have the headaches of trying to make good the undertakings given. I hope, for the sake of the State, that I will be proved to be very wrong indeed, but I am afraid that will not be so.

With regard to water supply, housing and sewerage, I believe the Government has undertaken to do something that it will not accomplish. Sewerage alone will involve a tremendous task in that area. I have been living in my present locality for 12 years and that area is not sewered, but is served by septic tanks. From time to time people there have asked me to try to ascertain when the sewerage is likely to go through. A bit beyond where I live, but still in my electorate, is the Melville Road Board area, where the pan system is in operation. A notice has been served upon residents there that they must within two years install septic tank systems, and that is a very costly proposition in these days.

My septic tank system cost £60 or £70 when it was installed, but it would now cost £200, and that is the expense facing the people of that area, which has been settled for many years. Because the people were anxious to know—and did not wish to put in septic tanks if there was a possibility of sewerage coming through—what was the chance of having the area sewered in the reasonably near future, I made inquiries last week and was told that no indication could be given, firstly because there was no money available and secondly because pipes could not be procured.

Mr. Yates: Will they not have to use septic tanks at Kwinana?

Hon. J. T. TONKIN: The Government has undertaken to install sewerage.

The Minister for Works: Septic tanks or sewerage.

Hon. J. T. TONKIN: That brings us to another question. The company, so that it will not make too big a drain on local supplies of cement, is, on its part, undertaking to import cement. Will it be able to do that now that import restrictions have been imposed?

The Premier: How will that affect the company? It will not be using Australia's funds. It has its own funds in London.

Hon. J. T. TONKIN: But it will have to buy the cement and bring it into the country. Is not the quantity of goods being brought in to be restricted?

The Premier: It is a matter of Australian funds, to conserve our overseas balance, and I do not think that would affect this company, which will be using sterling.

Hon. J. T. TONKIN: That is a good thing, if it will not affect the company.

Mr. Johnson: But the cement will still have to be imported.

The Premier: Yes, but not with our funds.

Hon. J. T. TONKIN: I accept the Premier's assurance in that regard and hope he is right, because, if he is not

right, there will be another great difficulty and, added to the already formidable list of problems, it will be a sizeable obstacle to get over. It is all very well to throw one's hat in the air and shout because a major industry has come to the State, but it is just as well to examine the other side of the picture. This project will inevitably impose greater hardship on the people who cannot get houses now.

Many residents in the districts represented by the member for South Fremantle and the member for Fremantle, as well as those in my own electorate, who have been waiting for five or six years for houses while living under terrible conditions in condemned dwellings and the like, are going to find their lot much worse. They will have to stand aside and see us providing homes for people not yet in the country; providing homes for those newcomers as soon as they reach the State. That is the price we are to pay for this industry and it is just as well to realise it.

While ultimately there is no doubt in my mind that this industry will be of tremendous benefit to the State, and will bring other industries here in addition, in the meantime we are for it, and the Commonwealth Government is not going to help matters. If it is going to embark upon an austerity programme for the next 18 months it will not exclude Western Australia. With an austerity programme imposed on us, we will be called upon to make good all these undertakings to the company and that must inevitably mean a far greater burden upon the balance of our population than on residents in any other State of the Commonwealth. We cannot escape it, because that is the price we have to pay.

Mr. Yates: Do you not think the Commonwealth will take some share in establishing this industry when it realises how important the project is to Australia generally?

Hon. J. T. TONKIN: I am going on the statement that has been made. I do not know whether the hon. member read it.

Mr. Yates: The Grants Commission might be more lenient towards us.

Hon. J. T. TONKIN: The Commonwealth Government has already decided that it will not guarantee the loan programme next year and that is what we have to overcome. I cannot imagine the hard-headed Premiers of South Australia and New South Wales listening to a proposition, put forward by the Premier of this State, that in order that we might establish this oil industry they should forego some of the reduced allocations that they are to get. What sort of reception will that proposition meet with?

The Attorney General: Victoria is getting £3,000,000 per year for coal.

Hon. J. T. TONKIN: They have been squealing like stuck pigs for months because they have had to put men off owing to their having received insufficient funds. Does the Attorney General suggest that they will voluntarily sacrifice some of their reduced funds next year in order to help Western Australia to carry out its undertakings?

The Attorney General: They are getting £3,000,000 per year for coal.

Hon. J. T. TONKIN: That is the sort of thing that Alice in Wonderland might believe.

Mr. Yates: Victoria embarked on too many big projects at the one time.

Hon. J. T. TONKIN: Victoria will not voluntarily sacrifice any of her reduced allocation, and to think otherwise is purely wishful thinking.

Mr. Yates: No doubt they will want more.

Hon. J. T. TONKIN: Yes, and all the other Premiers will be in that position. They will not adopt a grandfatherly attitude in order to help us out of our difficulties. They will have their own real problems and will see that they get a fair deal as between the States. The Commonwealth has already decided that there is to be an austerity programme for the next 18 months and that it will not guarantee the loan programme next year, so we can see what we are up against. In those circumstances, we have to put the best possible face on the situation and hope that things will not be as bad as they might turn out to be. We must hope for a few lucky breaks though I cannot see where they are to come from. If we get them they will help us a lot, but we want a little more luck with the power house than we have had up to date.

That is one direction in which we need some more help, or we will be in serious trouble because, if we give an undertaking to supply power and it is not there, we will have to deprive other people of it in order to make good this undertaking.

The Premier: It will be some considerable time before power will be wanted. A lot can happen in that time.

Hon. J. T. TONKIN: Yes, we have a little respite there.

The Premier: And the same with water.

Hon. J. T. TONKIN: There is one other point to which I wish to draw attention. So far as I am aware, and I have seen no evidence to cause me to think differently, the Government has made no survey of

the number of men producing vegetables, and what is required to improve production to meet the increased population which will come to this State.

The Premier: Not only vegetables but butter, meat—

Hon. J. T. TONKIN: I am coming to them.

The Premier:—and every other primary product.

Hon. J. T. TONKIN: Vegetables are No. 1, and a very important one. We will be in trouble with milk, too, and that is something we cannot remedy in five minutes. Unless a proper survey is embarked upon immediately and steps are taken at once to increase the supply of milk to the metropolitan area we will be in serious difficulties. This afternoon I asked a question in the House and the Minister for Lands was not able to answer it. Consequently upon some information given to me, I asked, "Was it a fact that one of the major suppliers of milk for the metropolitan area of this State had been detected using powdered milk?"

The Minister for Health: I do not think that is true.

The Minister for Works: Where did he get it from?

Hon. J. T. TONKIN: That is food for thought and could provide the basis for another question. I am advised that last year this same firm used four tons of powdered milk.

The Minister for Health: What for?

Hon. J. T. TONKIN: To make a fluid which could be retailed as pure, fresh milk.

The Minister for Health: The consumers are not idiots.

Hon. J. T. TONKIN: I have asked to be supplied with the information. If the person who informed me has not told the truth, I shall certainly have something to say to him, but he disclosed the source of his information and told me that an inspector of the Milk Board had detected the firm actually using powdered milk. I suppose it is wrong to build up a case upon supposition but, as I could not get the information this afternoon, I am bound to point out that if it is a fact that a firm was obliged to use powdered milk in order to keep up the supply, it is not an indication to me that the firm wanted to be fraudulent but that it was in a real jam regarding its supplies and was doing the next best thing to keep them up. If that is the situation, and the supply is so poor that it is necessary to use powdered milk to keep up commitments to consumers, we are down to bedrock so far as milk supplies are concerned, and we need to pull up our

socks if we are to get going in sufficient time to supply the increased needs of the metropolitan area as a result of this increased population.

The Premier: Of course, as the hon. member knows, this is about the worst time of the year for wholemilk supplies.

Hon. J. T. TONKIN: No, not quite the worst.

The Premier: Not quite, but very near it.

Hon. J. T. TONKIN: January is the worst, because in certain parts green grass is coming through now which was not available in January.

The Premier: From the fodder point of view, just about now is the tight pinch for the farmers.

Hon. J. T. TONKIN: I would say January is the worst—

The Premier: I do not think I would agree with you on that point.

Hon. J. T. TONKIN:—because most farmers endeavour to bring their cows into profit after the end of the year instead of prior to it, and there are more cows coming into profit now than there would have been in November and December. In other circumstances, the member for Harvey might have helped us with this problem, but as things are we have to be content with our own information. Next month, of course, the position will be very much better. But we must not forget that we are now well into the month of March and before very long we will have the winter rains.

The Premier: Of course, the hon. member knows that great land development schemes are in hand. The clearing of land by bulldozers is going on and there is a great extension of our irrigation areas.

Hon. J. T. TONKIN: Is the Premier satisfied that, without doing anything more, the milk supply in this State will be adequate to meet this increased demand? If he is, then I am not, and I think it calls for an immediate survey so that the position can be put well in hand, not only with regard to milk but also meat and other products.

The Premier: Many other primary products.

Hon. J. T. TONKIN: That is so.

The Premier: We realise that.

Hon. J. T. TONKIN: We are going to have a tremendous filip given to our population. We are going to increase the numbers of our migrants—we are going to increase the number deliberately—and we have been in trouble all along with the orderly flow which has been our quota under the general scheme. I am afraid the Government has not given the con-

sideration to all these difficulties which it should have done, but has rather had its eye on the prize and has kept reaching out and bidding for it all the time on the principle, "Get the prize and we will look after the difficulties later on." That is all very well so far as securing the prize is concerned. But if that is the principle, then the Government is in for a lot of trouble subsequently when it tries to make good its undertakings.

The Premier: I think the hon. member will agree that the people of this great company—the Anglo-Iranian Oil Co.—by coming to Western Australia will have much better prospects in regard to food than they would have had in many other places where the refinery could have been established.

Hon. J. T. TONKIN: Its people might.

The Premier: Its people will.

Hon. J. T. TONKIN: But that might put our people in a worse position, because if we do not increase the supply of food in this State—it is not adequate at the moment by any means—

The Premier: We are not unmindful of that fact.

Hon. J. T. TONKIN:—and the people who come here with that company are going to have a better chance of obtaining food, they can do it only at the expense of our general population. The people in the company do not want that, and neither do we. The position with regard to the supply of vegetables in Western Australia is chaotic.

Mr. Yates: Are not they still shipping some to the Near East?

Hon. J. T. TONKIN: Yes, it is woeful. One day beans are 2s. 6d. a lb., and two or three days later, in the same week, they are 1s. 6d. a lb. One day cauliflowers are 6d. each in the market and then the producers plough them in. Next week they are 3s. That is the sort of organisation that exists now. I think there is room for a proper survey and for something to be done to try to remedy the situation. If it is not remedied, we will go without vegetables more times than we will have them.

It is no good leaving these things to chance because there must be some order about it and some attempt to regulate the supply to meet the demand. It might necessitate helping somebody to set up, or the Government doing it, dehydration plants or canning plants to encourage growers to produce to the maximum so that they will have no fear about marketing their produce. The Government could draw off the surplus, store it, can it or dehydrate it against the periods when that type of vegetable was scarce. To allow the present marketing system to continue might have served in a period when there was sparse population, but it

will not serve in a period such as we expect to enter in the near future. Therefore, something has to be done on that matter.

I feel that every member will support the Bill and will hope that the company will get off to a flying start and be able to overcome its obstacles, and that hope applies also to the Government. However, I felt it was my duty to point out that, with other members on this side of the House, I am concerned and fearful about the State's capacity to keep its side of the bargain. If we make it clear beforehand that we may not be able to live up to our commitments then our consciences will be reasonably clear, but it is of no use crying out afterwards and making all sorts of explanations to the company because it will be too late. It is far better to say to the company's representative now, "This is what we will endeavour to do; we think it is fair and we will do our best to honour it, but we want you to appreciate that this is the background and we, as a State, might not be able to do these things and, if we cannot, we hope you will not be too hard on us."

**MR. ACKLAND (Moore)** [10.21]: I give my general support to the Bill and to the Government, and to those associated with the drafting of the agreement during the negotiations with the Anglo-Iranian Oil Company I wish to tender my congratulations. The ratification of this agreement will mark a milestone in the progress of Western Australia. I congratulate the company, too, on selecting a State such as Western Australia in which to spend so much money, because I think there is likely to be less industrial trouble here than perhaps anywhere else in the world. However, I cannot be fully enthusiastic about the expenditure of this large sum of money to which the Government has committed itself in order that the establishment of this refinery may come to fruition.

I believe implicitly that Western Australia, because of its climatic conditions, and its vast areas of land with an equitable rainfall has greater opportunities than any other place in the world quickly to expand its primary production. However, because of the commitments that the Government has entered into with this company I am of the opinion that there must be a slowing down of the advancement in primary production that should be made. When we look around the world today it must be realised that the greatest contribution we could make to a safe world, and to the United Nations and world peace, would be to increase our production so that we can feed as many mouths as possible. Yet we find that during the past few years production has been steadily declining, not only in this State but even more so in Eastern Australia.

The responsibility lies with successive Governments in all States up to the present, because they have made conditions in the city so attractive that we are constantly losing the population in the country to the capital cities. It stands to reason that while there are amenities in the city which are not available in the country people are not going to live in the rural areas if they can find employment and accommodation in the metropolis. In this agreement we have promised to do several things which have previously been considered impossible for this and previous Governments to do in this State because of the lack of enthusiasm which has been shown by them. We have promised to build 1,000 houses at Kwinana for this oil company in spite of the difficulties that have confronted the people in the country districts when trying to undertake building operations.

The Government has committed itself to finding 3,000,000 gallons of water per day and yet in one of the districts in my electorate today people are paying 5s. for 100 gallons carted to their homes by truck. There is another town, where, for years, there have been fountains of water issuing from the corroded water pipes and, as a result, another country town has not been able to obtain sufficient water through those pipes to meet its requirements. The cause does not lie with the present Government alone and, in fact, it has done more since it has been in office to provide facilities in my electorate than has been done for many years in the past. Nevertheless, there is a great deal more work crying out to be performed by the Government.

In supporting the Bill therefore, I find I cannot do so with any great enthusiasm because of the knowledge I have of the conditions which exist in the country areas, and of the slow progress that is being made in having the necessary works carried out. Those works will be slowed down still further because of the enormous expenditure which the Government proposes in the Kwinana area. I represent only one small portion of the State and I have no wish to be parochial in my attitude to the Bill. At the same time I know that the duty of the people in this State is to feed the starving peoples of the world.

Last year we produced only 46,000,000 bushels of wheat. So far this year we have delivered only 36,000,000 bushels. I am pretty confident I am sorry to say, that next year the wheat harvest will be something in the vicinity of 32,000,000 bushels. Nevertheless, it is quite possible and indeed practicable for us to produce 50,000,000, 60,000,000 or 70,000,000 bushels of wheat per year if there were the inducement and incentive to grow them. The decline in the rate of primary production has not been brought about by excessive taxation alone.

Mr. May: Not much!

Mr. ACKLAND: I repeat that it has not and I think I know the farming areas and the farmers themselves better than does the member for Collie. The greatest cause of the reduction in production has been the lack of incentive to produce and the lack of facilities to encourage people to live in the country areas and produce to their maximum. My electorate this year, as has been the case in others, has produced 22 per cent. of the whole of the marketable crop. In that area we have 10 per cent. of the sheep in Western Australia, and these are not my figures but those supplied by the statistician. Yet the lack of public expenditure in that area I think would possibly be more noticeable than in any other area in the country. It would be interesting to have those figures presented to this House.

Whilst such conditions exist I find extreme difficulty in approaching this expenditure with any enthusiasm whatever. To the Government and to the members of the Opposition I should like to say that we will do a far greater service to mankind by encouraging the production of primary industries, and by making it possible and attractive for people to establish their homes in those areas and by having some greater responsibility in our duty towards such people. To show the chaotic state of the food position in the world, we find that the second greatest producer of wheat in the world—I refer to the Argentine—is importing wheat from Rumania.

Hon. J. T. Tonkin: It is in the same position in regard to meat.

Mr. ACKLAND: When we realise there has been a 46 per cent. decline in wheat production in Australia during the last five years and that the decline is gaining impetus, I think it high time that we as a Parliament made sure that we did our part to better the position by improving living conditions and finding the steel, the cement and the materials required. It is my intention to support this Bill; I feel that no member of this House could do otherwise. Taking a long view, I believe it is in the interests not only of Western Australia but of the whole Commonwealth that this company should be given all the encouragement that is necessary.

Long before this came into effect I had been trying to obtain water supplies, hospitals, schools, better living conditions for people in the country, and Government after Government has made excuses and has procrastinated about doing anything for the rural people. And now I find that overnight this Government is able to wave a magic wand and supply the things, to which it has committed itself under this agreement, to the oil company. Unlike the member for North-East Fremantle, I feel that the Government will honour its obligations to that company.

I believe it will live up to its promises but it will do so at the expense of something that is even more important than the establishment of this oil refinery in Western Australia, and that is the greatest possible production that Australia could effect.

**THE MINISTER FOR WORKS** (Hon. D. Brand—Greenough—in reply) [10.35]: Firstly I would like to say how much I appreciate the general reception the Bill has had, and also the congratulations that have been tendered the Government and those associated with us for influencing the company to erect its refinery in Western Australia. I believe that of all the points that have been raised tonight those associated with the urgency of keeping up the expansion in the primary industries in this State are the most important and to the fore. This Government, as well as any other, must fully appreciate that if it is to encourage the establishment here of a huge industry such as is envisaged in the Bill, as well as all the small industries which must follow and the consequent sudden increase in population, it must look to the food position. There is, in fact, a great programme of development taking place in the agricultural areas of this State, and I believe that in the not-far-distant future that enterprise will pay great dividends.

I hasten to say to the member for Moore and to others who raised the point that I myself, the Government and all of us are just as anxious to supply water to the agricultural areas as we ever have been; we are just as anxious to supply amenities to keep the people in the country because it is on services and amenities similar to those that we enjoy in the city that we must rely to keep people there.

Mr. May: The member for Moore appeared to have some doubt about that.

**The MINISTER FOR WORKS:** In the development that is taking place in this State the Government has been constantly confronted with the possibility of encouraging this great refinery to Western Australia and not one member can deny the fact that we did immediately take stock and say, "Can we take the risk? Can we accept the challenge?" Upon inquiry we found that if the company were to come to this State it would require a certain depth of water for a suitable harbour; it would require water on the site; it would require electricity, housing accommodation and assurances of all kinds from the Government.

If we had not given those assurances some other State would have done so and I feel sure that the premium we paid is one which is going to earn great dividends. This has been recognised by all the members, especially by the member for Melbourne because he has repeated that in the long run this industry will pay dividends

to the State. Therefore at this stage, at the beginning of the journey, we have to take certain risks, and certain risks we have taken. Unlike the member for Melville, I believe the Government, with the co-operation of the people of the country and the willingness of everybody to work to that end, should be able to meet its obligations and commitments. If we were to adopt the rather pessimistic attitude that has been vented by several members regarding the possibilities of meeting our commitments in the past, then I am afraid the future would not be very bright.

Had this State been informed five years ago that we would have to take 20,000 people every year for five years, the same pessimistic story would have come up from every quarter. Some members might hasten to say that the question of money was not of urgency then but I would reply that the one of labour and materials was just as urgent. The availability of labour and material was such that it caused concern to everybody, but we faced up to the problem bit by bit and even though at times we have been in arrears we have been able to keep going, and, being a young State, I believe we are well on the road to security.

A great deal has been said about homes and the fact that the Government has undertaken to provide 1,000 dwellings. I can only repeat what I said in introducing the Bill, namely, that that was at least part of the price the Government has had to pay. The homes, which I assume will cost in the vicinity of £2,000 each, are to be built over a period of three years. It is very difficult for any Government to foresee what will happen over that period, but at least the Government could accept that commitment, and I believe that the company is willing to take some risk, knowing that the Government will endeavour to live up to its responsibilities.

Mr. Drake has just completed a tour of the Great Southern and South-Western areas. I regret that he could not go North. Having completed a survey of part of the State, he has seen for himself that Western Australia has everything in front of it and that so little of it has been fully developed. He has seen that we have the wealth and that there is every possibility of our meeting the obligations that are so clearly set out in the agreement we are discussing tonight. After a period of five years, during which time the company will be leasing these houses, and perhaps after a further three years, those houses will be made available as workers' homes to those engaged in the refinery. That is the policy of the Government, which makes no apology for including that provision in the agreement.

The Leader of the Opposition raised the question that, the employees having purchased homes, they might well transfer to another industry or accept work on the wharf. Surely we have sufficient faith

to believe that at the end of three or four years, in view of the development that will take place in the area, other homes will be provided. I trust that enterprise on the part of the individuals concerned will be such that they will endeavour to provide homes for themselves. Perhaps there will be other companies and organisations that will endeavour to cope with the housing problem under some arrangements of their own.

I might explain to the House that as it was clearly laid down that the company required 1,000 houses for its employees, there seemed no way except under the rental scheme or by way of leasing to the company to ensure that over the construction period the company could use the houses to accommodate four or five bachelors or two or three married couples in them. As the Government was not permitted to do it under the Commonwealth-State rental agreement, it was decided that the houses should be leased to the company, which is facing up to so many responsibilities itself. It is laid down that at the end of the period the company must repair those houses and hand them back to the Government in good condition. I feel that, in view of all the difficulties involved in opening up this new area, the agreement reached was quite reasonable.

While speaking of housing, I point out that there is the construction camp that the company has undertaken to build, and that will be done over a period of four or five years or perhaps a little longer. The Government is committed to providing some footpaths and roadways which it is forced to do in any area where accommodation is being provided, or at least it should do so if at all possible. There again I think the undertaking given is quite reasonable. Reference was made to the fact that the roads and footpaths necessary will be provided at the expense of the company within the refinery area.

The argument raised was that in this instance the Main Roads Department might very well let that work be done by contract and supervise it, because, as mentioned by the company, its job is to refine oil. It was felt that in this State the Main Roads Department had had real experience of local conditions with respect to road-making, and I regard the decision in that instance as quite sound.

A point was raised by the Leader of the Opposition with respect to the conditions relevant to the dredging of the channel through the Success and Parmelia Banks, and he made special mention of the penalties and compensation which should be paid in the event of the contractor's work not coming up to the standard and which he said should be paid by the company. I will discuss that mat-



ter with Mr. Drake and I feel sure he will give it very sympathetic consideration.

Here I must again impress upon the House that the company is committed to huge contracts in connection with its refinery, running into millions of pounds and, if there is any delay in the completion of the channel, the company will be put to great expense and certainly great financial loss will be incurred if its 32,000 ton tankers cannot enter Cockburn Sound whenever the refinery is ready to receive oil. I believe the company requested, and the Government accepted the proposition, that we should include the relevant clause in the agreement as a sign of good faith.

With regard to the dumping of spoil, which was referred to by the member for Fremantle and the member for Melville, I know nothing about it, although I did see some reference to the matter in the Press. Any decision with regard to the dumping of spoil is a matter for the engineers and those who can tell us about sand drift and what will happen to it. I am sure no adviser of the Government would suggest putting the material dredged from the channel in a position from which it will drift back.

Hon. J. T. Tonkin: You know that the Turkey Point cut was not successful and we were told that it would be.

The MINISTER FOR WORKS: In reply to questions, I have never claimed any more regarding the Turkey Point cut than that eventually the cut would settle down and stabilise, and that for some years there would be some movement forwards and backwards, of the actual channel. I have not had any inquiries made lately and am not aware of the position today, but I do not think it right to say that the cut is not the success that was claimed for it.

Hon. J. T. Tonkin: I do not think it is; I had a look at it last week.

The MINISTER FOR WORKS: I shall investigate the suggestion about the reclamation of land as I consider it to be quite worth while. A claim has been made that the Government will be called upon to spend £10,000,000. The Leader of the Opposition emphasised that estimates made from time to time are always wide of the mark. I am glad the hon. member admits and recognises that. Judging by the files I have perused, this was going on a long time before 1947.

When, prior to going to the Eastern States, we made inquiries regarding the cost of dredging, Mr. Stickler, one of the executives of the Dutch Dredging Co. now operating at Albany, after thorough investigation, gave us the rough estimate of £4,000,000 or, in the event of a wider channel, £5,000,000. We have had inquiries from England and from repre-

sentatives of German and French firms here regarding the dredging contract, because it is a worthwhile job, and I shall be disappointed if we do not have four or five tenders for the work and if it is not within the estimate given to us by people who have spent a lifetime in dredging work.

As regards the £2,000,000 for houses, we shall be getting that amount of housing which we shall not have to provide elsewhere for housing migrants or Australians, and I feel that that cannot be considered as other than routine expenditure. If the company decided to establish the refinery in any area in Cockburn Sound, the Government, apart from any agreement, would have been under the necessity to provide routine expenditure. While speaking of water, I remind members that I interjected that for years we have just been keeping ahead of the demand. Is there any reason to believe at this stage that, because in three years' time we shall have to provide the company with 3,000,000 gallons a day, we shall not be able to plan ahead. I see no reason for pessimism.

Hon. J. T. Tonkin: How are you going to get the money?

The MINISTER FOR WORKS: That is a question which might be asked year by year. The Premier has told me that we may optimistically face up to the expenditure that must be met over the three years, especially that relevant to the agreement made with the company.

Hon. J. T. Tonkin: I wish he would tell us.

The MINISTER FOR WORKS: We anticipate supplying from underground 1½ million gallons of potable water, which will represent about one-half of the requirements of the refinery. The rest will have to come from the hills supplies, and it will come through a new trunk main from Kelmscott to a service reservoir near Thompson's Lake in the Jandakot-Naval Base area, with a feeder main to the oil refinery site. The additional draw for the refinery will mean that supplies will become necessary from the Serpentine approximately one or two years earlier than originally planned. Investigations and surveys on the Serpentine have been in hand for over two years and good progress has been made.

Except for the summers of 1948-49 and 1949-50, there have been no general restrictions in the metropolitan area since 1934, and the restrictions in 1948-49 and 1949-50 were entirely due to power failures and break in the contour channel. Partial restrictions were imposed in the Scarborough area in the summers of 1946-47 and 1947-48. These were purely local, and have been unnecessary since the construction of the 18in. main from Mt. Hawthorn service reservoir to Scarborough. The de-

partment has been able to meet the large annual increase in consumption by carrying out progressively works and improvements since 1939, the chief of which are—

Completion of Canning Dam.

Duplication of main from Mount's Bay Road bore to Mt. Eliza.

42in. trunk main, Cannington to Victoria Park.

18in. main Mt. Hawthorn service reservoir to Scarborough.

30in. main Mt. Eliza to Swanbourne.

Mt. Yokine No. 1 and 2 service reservoirs.

30in. outlet main Mt. Yokine to Mt. Hawthorn reservoir.

36in. main Belmont to Mt. Yokine.

The trunk mains from the hills and service reservoirs have been of sufficient capacity, due to the works constructed before and during the period mentioned, to meet all demands. Given normal rainfall, adequate power supplies, the completion of the second outlet main from Mt. Yokine reservoirs and provided the proposed service reservoir near Thompson's Lake is of sufficient capacity, under normal circumstances general restrictions are not anticipated. It is very difficult for anyone at this stage of our development to say that there will be no restrictions and that we shall not encounter any problems in meeting the demand, but I am confident that under the programme as laid down, we shall be able to supply the necessary water in time.

As to the undertaking to supply the company with 12,000 kilowatts of electricity, we have three years in which to stabilise the position. No one can blame the Government or anyone else for the unprecedented breakdown that occurred recently at the South Fremantle power house. We were quite justified in believing that we could meet the demand, seeing that we had two brand new machines constructed by companies of international reputation.

I realise that there is need for an immediate plan, and the Government has decided to send the Director of Works, Mr. Dumas, to England. One of his jobs will be to interview in company with the Agent-General, Hon. W. H. Kitson, town planners in the hope that we shall be able to get a man not only efficient and qualified in every way, but also one of suitable temperament who will appreciate our difficulties and will not produce an extravagant plan that we would be unable to carry out. I consider that a move has been made in the right direction to expedite a decision for a planner to help us with the problems that will confront us in the Kwinana area.

Hon. J. B. Sleeman: We have a town planner.

The MINISTER FOR WORKS: The member for South Fremantle raised a point or two that I must answer. He said that the road leading to the site owned by the crippled children's home was to be closed. The road will go right through to the boundary and will not be closed. There will be access there; only the northern portion will be closed.

Mr. Lawrence: I am very pleased to hear it.

The MINISTER FOR WORKS: The hon. member raised doubts in some minds as to the legality of authorised union representatives going on to wharves owned by the company. That is provided for in the agreement, and is clearly set out. Authorised persons under the Industrial Arbitration Act, and under any Act, such as union secretaries or representatives, are considered inspectors under the Factories and Shops Act and are able to go on to those wharves.

Mr. Lawrence: Will the Minister read that section of the Act?

The MINISTER FOR WORKS: It is there for the hon. member to see. I have conferred with the Crown Solicitor and I do not think there is any need to read it.

Mr. Lawrence: I disagree with the Crown Solicitor.

The MINISTER FOR WORKS: Very well; the hon. member can have an argument with him tomorrow. I have definitely stated the position and no Minister would stand up and so clearly define a situation if there was any doubt.

Hon. J. T. Tonkin: Did you say, "No Minister"?

The MINISTER FOR WORKS: Yes.

Hon. J. T. Tonkin: I would not agree with that.

The MINISTER FOR WORKS: I cannot help it if the member for Melville has differences with other Ministers. The member for Collie was in a most pessimistic mood. Usually he is rather a bright sort of fellow, but tonight he came here with all the troubles in the world. He tried to indicate that there was some doubt whether the coalmining industry would continue if the refinery were established here and made oil available to us at cheaper rates.

Mr. May: I said there was that possibility.

The MINISTER FOR WORKS: I am confident enough to believe that the development that will take place in the State will be such that we shall be able to use all the coal produced at Collie for years to come, and the hon. member need have no doubts about that.

Mr. May: It is easy to say that.

The MINISTER FOR WORKS: I do not know what the answer is! If I agreed with the hon. member, perhaps he would be happy. But I will not agree with him. I do not believe that the Anglo-Iranian Oil Co. will supply diesel oil at cheaper rates in Western Australia than anywhere else. They are establishing themselves here to supply oil to Australasia, and I think it will be at the standard rates and that no special consideration will be given to us. I will conclude by reading a leading article from "The Sydney Morning Herald", which I believe sums up the situation. It says—

The "broad agreement" between the Commonwealth Government and the Anglo-Iranian Oil Co. for the establishment of a £40,000,000 refinery in Australia will be generally approved. There is hardly a field of economic endeavour that the development will not fertilise.

I think that is put very nicely.

Defence as well as commercial needs will be served directly by the establishment of the massive plant envisaged in the main agreement. The storage attached to the refinery alone will almost double the amount now available on the Australian seaboard. Failing the discovery of oil in this country, the next best thing is that it should be brought here in quantity and converted into a range of products suited to every commercial and security need.

One of the best features of the agreement is that it centres this great development in Western Australia—the Commonwealth's most industrially backward State. The operation of the refinery, by providing a special stimulus to the expansion of industry in the south-western areas of the continent, should help to redress the economic and population imbalance between east and west. It will, in fact, be a major measure of decentralisation.

No doubt an important consideration in the choice of site was that Fremantle is easily the biggest oil-bunkering port in Australia and amongst the biggest in the world.

Hon. J. B. Sleeman: Hear, hear!

The MINISTER FOR WORKS: I knew that would please the member for Fremantle. The article continues—

But whatever the reasons that dictated the decision, Western Australia has been afforded an opportunity which, if boldly seized by its Government, will bring wide benefits to both State and Commonwealth.

Mr. Lawrence: How touching!

The MINISTER FOR WORKS: I do not think so. I think it is true.

Hon. J. T. Tonkin: Do you agree with that article?

The MINISTER FOR WORKS: Yes.

Hon. J. T. Tonkin: It says nothing about the State Government. It gave all the credit to the Commonwealth Government.

The MINISTER FOR WORKS: It did not.

Hon. J. T. Tonkin: How does it start?

The MINISTER FOR WORKS: It begins "the 'broad agreement' between the Commonwealth Government and the Anglo-Iranian Oil Co."; but it finally says that whatever the reasons that dictated the decision, Western Australia has been afforded an opportunity and its Government will be falling down on the job if it does not "get cracking." That is what it says and that is what I know is meant to be implied.

Mr. Lawrence: That is, if the Commonwealth gives us the money.

The MINISTER FOR WORKS: Seeing that the Commonwealth has all the money, the member for South Fremantle is right and we can only assume that, in view of the fact that this is a national responsibility, if the Commonwealth Government is going to face up to its responsibility—the development of this State—it must recognise that we will require some financial assistance, even if it is on a quota basis relevant to the cuts we must accept if what we read in the Press is true.

Question put and passed.

Bill read a second time.

*In Committee.*

Mr. Perkins in the Chair; the Minister for Works in charge of the Bill.

Clauses 1 to 7—agreed to.

Schedule:

Hon. J. T. TONKIN: I wish to refer to paragraph (j) of Clause 4. This provides generous treatment, especially as the Government is not generous to ex-Servicemen. The Minister should know that under the War Service Homes Act it was intended that no profit should be made on the sale of land to a soldier for the purpose of erecting a house thereon. The present Government is getting around that principle. The State Government buys land for Commonwealth-State rental homes and then, when making a block available to a soldier, makes as much as 100 per cent. profit on the sale. I have a case where a soldier selected such a block and was told it would cost £200 because that was the actual cost. Now he is told he has to pay £400 for it. The Government is deliberately making a profit on the land.

The Attorney General: Having in view the roads it has to construct.

Hon. J. T. TONKIN: It will have to construct roads here. I am endeavouring to show the difference in treatment. Here it will charge a maximum of £80 an acre, yet it is deliberately circumventing the provisions of the War Service Homes Act by making a substantial profit out of soldiers.

The Attorney General: I do not think it is.

Hon. J. T. TONKIN: I know it is. I am not in the habit of saying things here that I cannot prove.

The Attorney General: Yes you are. You are inaccurate quite often.

The CHAIRMAN: Order!

Hon. J. T. TONKIN: The Attorney General should back up his statement.

The CHAIRMAN: Order! The member for Melville must address the Chair.

Hon. J. T. TONKIN: I appreciate that, but you, Sir, would not take from anyone what the Attorney General has said to me. I am giving him an opportunity, through you, to substantiate his statement.

The CHAIRMAN: He can speak after the hon. member has finished. The hon. member must take no notice of interjections.

Hon. J. T. TONKIN: The Minister will not speak. I do not claim that every statement I make here is accurate. I believe it is when I make it but, if it is subsequently proved to me that it is not, I have no hesitation in apologising.

The Attorney General: I agree with that.

Hon. J. T. TONKIN: When I make a statement I believe it to be accurate, but I cannot say that for some members on the other side.

The CHAIRMAN: I think the member for Melville had better discuss the schedule now.

Hon. J. T. TONKIN: Yes, but you, Sir, will agree that the interjection was such as to cause anyone to make an explanation. I can give the name of the soldier if it is required. I have discussed this case with the war services homes section of the Housing Commission and with the officer concerned at the R.S.L., and I say deliberately that when the Housing Commission buys land and allows a soldier to select a block which was originally bought for the purpose of erecting on it a Commonwealth-State rental home, and the War Service homes section is charged such a price as enables a profit to be made by the Housing Commission, it defeats the intention of the War Service Homes Act. There should be some uniformity in treatment. If it is reasonable in order to encourage an industry to come here to make

land available to it at a low figure, the State should not at the same time endeavour to make large profits out of ex-Servicemen. I hope the Government will have the matter looked into and put right.

The MINISTER FOR WORKS: I know nothing of the conditions which have been described by the member for Melville, but I shall certainly take them up with my colleague. As regards the matter under discussion, this arrangement was made in order to encourage the industry to come here. If by any chance it pays £80 an acre—and I feel it will be paying a considerable price—it will be because the land has become so valuable through its coming here.

Schedule put and passed.

Title—agreed to.

Bill reported without amendment and the report adopted.

### *Third Reading.*

Bill read a third time and transmitted to the Council.

*House adjourned at 11.18 p.m.*

## Legislative Assembly

Thursday, 13th March, 1952.

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