

resume of the case which was put up. I do not intend to give the whole of the case, but want to quote from one of the articles.

The Empire Games will last for a week, and then we will have an olympic pool and an aquatic centre on our hands which will have to be paid for. On the south side of the river there is a huge population. As the member for Beeloo said, that 20-mile section comprises one-sixth of the population of Western Australia. That is not generally realised by the powers that be.

If an olympic pool were situated there, it would be assured of adequate patronage by the people from that area. However, if a pool were situated west of the city, the people in that area to which I have just referred would go to the sea to swim irrespective of the fact that many of them would have to pass the pool.

We are of the opinion—I think justifiably so—that a pool in that position would eventually be a white elephant. I will not elaborate on that, but wish to support a statement made by the member for Beeloo earlier this evening. I and the member for Beeloo have worked hard to obtain a site for a general hospital south of the river. Some members of the Opposition stated earlier that one-third of the cost of hospitals should be met locally. It may be asked how that cost, of anything from £600,000 to £700,000, would be met, as this would have to be a large hospital costing maybe £2,000,000, to serve such a huge and populous area. I must remind hon. members that there is practically no hospitalisation available to serve the district to which I refer. As the member for Beeloo also said, large hospitals are being constructed in many other districts and we do not quarrel with that. But at least people north of the river have not that barrier, which a river always constitutes, between them and the larger hospitals. I repeat that a river always constitutes somewhat of a barrier as it requires the traffic to converge on available bridges, thus making for congestion.

Many people in Victoria Park, as well as the other districts concerned, together with many organisations, have approached me and have written to the Minister for Health in an endeavour to speed up whatever can be done to establish a hospital such as I have mentioned. The Minister is sympathetic and the only difficulty is that of money, which I hope will soon be overcome.

In conclusion, I must allude to the fact that in Victoria Park we have some very live organisations that are doing an excellent job. One such is the Citizen Ratepayers' Progressive Association, one of the most active bodies to be found anywhere. It is the rallying point for the people of Victoria Park, because we have no civic centre and are simply part of the Perth City Council area. I repeat that that body

serves as the rallying centre for the people of my electorate, as regards both their ambitions and their complaints. It has done a really good job.

Another praiseworthy organisation is the Parents and Citizens' Association, of which there are three branches in Victoria Park, one having been formed about two years ago and another only about a year ago. They have all raised tremendous sums of money and have provided many facilities which the schools of the district would not otherwise have had. I would be remiss if I did not eulogise those organisations before resuming my seat. I support the motion.

On motion by Mr. Owen, debate adjourned.

House adjourned at 11.43 p.m.

Legislative Council

Thursday, 21st August, 1958.

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The PRESIDENT took the Chair at 2.30 p.m., and read prayers.

QUESTIONS ON NOTICE.

No. 1. *This Question was Postponed.*

NORTH MIDLANDS HOSPITAL.

Advice to Committee re Additions.

2. The Hon. L. A. LOGAN asked the Minister for Railways:

Has the committee of the North Midlands Hospital been advised that one-third of the capital cost of the proposed additions to the hospital, costing approximately £14,000 is to be found by the committee?

The MINISTER replied:

The local authorities have offered to find one-third of the cost. A firm estimate is not available for publication.

SCARBOROUGH POLICE BOYS' CLUB.*Government Grant.*

3. The Hon. R. C. MATTISKE asked the Minister for Railways:

(1) Has the Government agreed to make a financial grant to the Scarborough Police Boys' Club?

(2) If so—

- (a) how much has been allotted;
- (b) when will the grant be made;
- (c) what conditions, if any, apply to the grant;
- (d) from what fund will the grant be made?

The MINISTER replied:

(1) Yes, on representations by the hon. member for Wembley Beaches, Mr. F. Marshall, and officers of the club.

(2) (a) £5,000.

(b) Grant will be made when the club has commenced construction and requires the finance.

(c) The money to be applied to assist in establishing suitable and adequate club premises.

(d) The General Loan Fund.

LAND.*Areas for Selection in South-West Province.*

4. The Hon. F. D. WILLMOTT asked the Minister for Railways:

(1) In reply to the hon. member for Blackwood in another place on Wednesday the 13th August last, the Minister for Lands indicated that eight blocks of land, totalling 9,821 acres, were available for selection for agricultural purposes in the Tone River area. In view of this statement—

(a) are there other areas, comparable with the area at Tone River, available for selection in the South-West Province?

(b) if so, what is the area and locality?

(2) Is it Government policy to encourage further land settlement in the South-West Province?

The MINISTER replied:

(1) No comparable areas are available for selection for agricultural purposes in the South-West Province.

(2) Yes.

STATE FORESTS.*Tabling of Maps.*

5. The Hon. J. MURRAY asked the Minister for Railways:

Will the Minister table maps showing, in detail, State forests throughout the South-West Land Division?

The MINISTER replied:

Yes, for two weeks.

COAST ROAD.*Section South of Mandurah.*

6. The Hon. J. MURRAY asked the Minister for Railways:

Will the Minister give the House any available information concerning the improvement and development of the coast road south from Mandurah?

The MINISTER replied:

The coast road south from Mandurah is being steadily improved from year to year. During the last four years over £66,000 has been spent in constructing stabilised formation. During the current year expenditure of about £40,000 is proposed. This will enable some further 10 miles of formation improvement in the Harvey Road Board district and a substantial amount of construction work south from Mandurah over a length of 15 miles and largely along a new location away from the low lying estuary section.

PARLIAMENTARY SUPERANNUATION FUND.*Appointment of Trustees.*

On motion by the Minister for Railways, resolved:

That, pursuant to the provisions of the Parliamentary Superannuation Act, 1948-57, the Legislative Council hereby appoints the President (the Hon. Sir Charles Latham) and the Hon. A. L. Loton to be trustees of the Parliamentary Superannuation Fund.

ADDRESS-IN-REPLY.*Seventh Day.*

Debate resumed from the previous day.

THE HON. E. M. HEENAN (North-East) [2.40]: I desire to make a few remarks in supporting this motion. Like other speakers, I join in the congratulations which have been offered to you, Sir, by hon. members who have spoken before me. I feel sure that this sentiment is shared by every member in the House. I also join in the congratulations to our new member, Mr. Abbey; I agree with all the remarks which have been made concerning the first impression we gained regarding him—an impression which is eminently favourable.

I associate myself with the expression of regret voiced by a number of speakers concerning the loss by Mr. Loton of the presidential office. As one who has served on the House Committee with him in recent years I can assure all members that he, in his position as Chairman of the House Committee, was unstinting in his efforts, and the work that is going on in and around Parliament House is in no small degree due to the enthusiasm which he devoted to the task that fell on him.

I regret the absence from this House of my old friend Mr. Norman Baxter. He was a keen representative of his electorate and a very keen member of the Country Party. He was a tenacious debater and I think he pulled his weight very well in this House. I hope that sooner or later he will find his way back to one of the legislative Houses in this State or in the Commonwealth.

I join in the expression of condolence with the passing of the late Sir Harold Seddon and the late Senator Seward, for both of whom I had the highest regard. I need say no more than to agree to what has been admirably expressed by preceding speakers concerning them.

I agree with other members who have spoken on this matter—and indeed almost every member did—in hoping and praying that our leader, Mr. Gilbert Fraser, may somehow make a miraculous recovery and find his way back here as leader. Like a number of other members I saw him only a couple of weeks ago and was agreeably surprised by his good appearance, which to me as a layman seemed to indicate there was good hope of his recovery. I am sure I am only expressing the views of everyone in the House in hoping he will continue to improve and be among us before long.

Earlier in the year I passed through South Australia. In January I went to the Eastern States in my capacity as chairman of the inquiry into licensing matters which was being conducted at the time. I read an article in a South Australian newspaper, the "Advertiser" dated the 24th January, 1958, which impressed me very much. I cut out the article and retained it; I think I should read it. It is as follows:—

Canberra, January 23rd, 1958.

Sir Douglas Copland, the noted economist, today advocated the extension of credit during the next 10 years. He was speaking at the Citizenship Convention.

Sir Douglas Copland, principal of the Administrative Staff College and a member of the Immigration Planning Council, said population was increasing at the rate of 2½ per cent. a year. There would be a total population increase of 22 per cent. in Australia in the next 10 years, one of the greatest increases in the world.

If the present increase continued there would be a 38 per cent. increase in the work force in the same period.

There would also be an increase of 50 per cent. of young people of marriageable age. When you contemplate this situation and think of the young work force increasing at a rate nearly double the increase in total population, what an asset and opportunity it is for Australia.

Sir Douglas Copland said he did not agree with credit squeeze. Australia should not take a defeatist attitude when it was realised that the number of young people wanting homes in the next 10 years would increase by 50 per cent.

We should not cut down the migration flow. We have the work force. All we need to do is to organise it.

I think the next 10 years offers Australia one of its moments of great glory, but it also represents a challenge which has to be met.

The world population would double within 40 years, he said. Much of this increase would take place in Australia's near Asian neighbours.

We cannot think of this problem as one of economics or comfort, but as a challenge. The problem is one of emphasis and administration.

It was not beyond the resources of the Department of Immigration and Labour to alter the content of the migration flow to fit in with changing conditions, instead of abandoning the immigration programme.

That report in the newspaper made a deep impression on me at the time, and I feel confident that members in this House who have just listened to what I have said will be given food for thought. I took out this cutting last night because I have been somewhat concerned after listening to the number of speeches made here in the last few days. For instance, Mr. Abbey, our new member, who is a farmer and, I believe, a successful one, impressed us all as a man who knows what he is talking about when it comes to farming matters. He had this to say—

I feel that the decline in rural income is causing some concern. We must take steps to stop the decline.

He also said—

The present price of wool is at an uneconomic level.

Only last night Mr. Jones, another farmer who knows a lot about farming, said—

In the last 12 months we have lost £150,000,000 of our export trade. Markets are harder to maintain.

Then he went on to say—

No one has a clue as to what wool will bring. Wheat and butter are priced off the market.

These remarks, by people who are in a position to make them with some authority, must cause us great concern when we line them up with the economic preview by such an eminent man as Sir Douglas Copland. If we take them side by side, they indicate a rather gloomy outlook.

When the Lieut.-Governor made his Speech he had this to say about one of our greatest industries—an industry that has

saved the State of Western Australia, economically, on at least two occasions; I refer to the gold industry—

Gold mining is being maintained, but rising costs are seriously affecting marginal producers. The Commonwealth Government has again been approached by the industry and the State Government for alterations in the subsidy payments.

So, we have the picture that our wool industry, which no doubt is our greatest income producer, our other agricultural industries and our gold mining industry are all in an unsatisfactory position. So it looks as if something has to be done.

The gold mining industry, regarding which I now propose to say a few words, is very important. This brief return, which was published in the "Kalgoorlie Miner" of the 19th August, 1958, will give some indication of what the industry means to Western Australia. There is a return headed, "Gold at Perth Mint for July." That is the month which has just passed. The report goes on to state—

Returns showing quantity of gold received at the Perth branch of the Royal Mint and content in gold bearing material exported for treatment during the month of July, 1958.

The total gold received was 81,106.3 fine oz. The estimated value in Australian currency was £1,267,286. The total production to date—this is of Western Australian mines—was 59,517,750 fine oz. and the value in Australian currency was £410,583,071.

This is an industry that we have right on our doorstep and it is one which, over the past 65 years, has produced wealth, in Australian currency, to the value of £410,500,000 in round figures; and only in the last month—and for every month in the year—it produced wealth to the value, in round figures, of £1,250,000.

These figures are eloquent testimony to the importance of this great industry. Here I have the report of the Chamber of Mines, Western Australia, dated the 27th May, 1958. The value, in Australian currency, of last year's production was £13,277,354—in round figures, £13,250,000. The Western Australian average last year was 5.76 dwt. of gold per ton. It might be interesting for the children who are listening to realise that this tiny quantity, namely 5.76 dwt. is equivalent to about $\frac{1}{4}$ oz., I think.

The Hon. J. J. Garrigan: A bit over.

The Hon. E. M. HEENAN: This means that a mine treats a ton of earth to produce that quantity of gold, on the average. So, there is not much gold to the ton. The number of men employed in the industry last year was 5,385. Gold at one mine was produced over a vast area of Western Australia. We goldfields members only the other day were at a place

called Kanowna which was a flourishing, prosperous mining centre about 50 years ago. But it is now a derelict town and hardly a stone remains upon a stone. A lot of gold used to be produced there and, in more recent years, a lot of gold used to be produced at Wiluna.

Up to a couple of years ago there was a flourishing mine at Big Bell which employed about 500 men; and there was also a lot of mining carried out at Cue, Meekatharra and Coolgardie. But just about all those centres have passed out of the picture as gold producers, and now our gold production comes mainly from centres which I shall mention in a moment. In May of this year Western Australia produced 64,196.83 fine ounces. The largest quantity came from the Golden Mile, which is at Kalgoorlie. The Golden Mile got its name because in truth it is the richest mile of country in the world; since it was found way back in 1893 it has remained as the richest mile of country known in the world.

In the month of May mines on the Golden Mile produced 38,886 ounces out of a total of 64,196 ounces. Therefore, over half of our gold production comes from mines on the Golden Mile. The Central Norseman mine produced 7,817 ounces; the Great Western at Bullfinch 6,145 ounces; Hill 50 at Mt. Magnet 5,636 ounces, and the Sons of Gwalia—

The Hon. G. Bennetts: In Mr. Teahan's territory.

The Hon. E. M. HEENAN: —produced 2,394 ounces. At Mt. Ida, which is out from Menzies 1,567 ounces were produced; at Ora Banda 846 ounces and at Coolgardie 777 ounces. So hon. members can appreciate what is being done at these out-back centres on the Goldfields; they will also appreciate what Mr. Teahan pointed out in his speech about Menzies, and about the Government assistance that has been given to the mines there. In the Menzies district, 1,567 ounces of gold were produced in May and at the Sons of Gwalia mine—which recently received assistance totalling £100,000 from the Government—2,394 ounces were produced in that month.

If one multiplies the amount of gold produced by £15 14s. per ounce he will realise that in May the Sons of Gwalia mine produced £35,000 worth of gold. Hon. members will be able to judge for themselves whether this Government was wise in lending a producing mine of that magnitude the sum of £100,000 so that it could carry on.

The Lieut.-Governor in his Speech, as I have already pointed out, said that goldmining was being maintained; it is being maintained at a stage where it produces close on £1,250,000 worth of gold per month, employs between 5,000 and

6,000 men and maintains those far out-back centres which I have just mentioned. What a great pity it is that over all these years, since about 1944, the price of gold has remained stationary. It is a remarkable tribute to the executives, the engineers, the geologists, the miners and others associated with the industry, that they are still able to maintain it at this level while the product remains at the price it was almost 16 or 17 years ago.

Since then, of course, it is obvious that wages have increased and costs have risen in all directions. Yet a number of mines are still able to keep going, and are still able to bring into the economy of this State £1,250,000 a month.

The Hon. G. Bennetts: They will not be able to economise much longer.

The Hon. E. M. HEENAN: As I said, they are treating a ton of ore to get an average of 5.7 dwts. of gold. It is a remarkable tribute to all engaged in the industry that they have been able to accomplish this. They have only been able to do so of course, by the wisdom and technical improvements which have been applied to the industry. But there will undoubtedly come a time when, if we are not careful, the tide will engulf them.

That is why all associated with the mining industry keep urging and advocating an increase in the price of gold. As we know, the only country in the world that purchases gold is America. The price is fixed arbitrarily at 35 dollars per oz. This price was fixed by the Bretton-Woods Agreement, and America is the only country in the world that purchases gold which is produced in the free world, at any rate.

South Africa, Australia, Canada, and other gold-producing countries have been pursuing their claims for an increased price for this commodity; so far, without avail. Faced with that situation the mining industry has had to appeal to the Commonwealth Government and, that Government, realising to some degree at any rate the importance of the industry, has in the last few years been giving it some assistance. But the assistance given to the goldmining industry by the Commonwealth last year amounted only to £500,000. It might be considered a lot of money in one respect, but to maintain an industry of such vital importance it is really quite a small amount. In order to refresh the minds of hon. members, I would like to quote what the President of the Chamber of Mines had to say in his last report, which was dated the 27th May, 1958. It is as follows:—

During the year representations were made to the Federal Government for an increase in the subsidy received by the so-called marginal mines and as a result of this, an increase was granted in the last budget of 15s.,

which brought the maximum amount of subsidy to which mines could become entitled to £2 15s. per fine ounce. At the same time the maximum amount allowed to be charged against development in assessing costs per oz. was increased from £3 10s. to £5 5s. While this was to some extent satisfactory, the increased costs of development which could be taken into general costs for the purpose of assessing the subsidy to which a company would be entitled, could not be used to the full extent, as it was limited by the maximum amount of subsidy payable. Representations have been made to the Federal Treasury with a view to clearing up this position and allowing a company under certain circumstances, to take full advantage of the increased development cost allowed. But to date no reply has been received.

In his report dated the 28th May, 1957 the President of the Chamber of Mines also said—

We have for the past three years enjoyed a subsidy based on the cost per oz. of gold produced, the introduction of which was aimed at assisting marginal mines to continue in the hope that further development and operations generally would lead to a betterment of their position. Recent discussions and approaches to the Government have taken place with a view to increasing the amount of this subsidy. There are, however, mines operating—and I refer particularly to Western Australia, which area covers our own members—who are not at the present moment, in an unfavourable position and who do not in any way participate in the assistance rendered through gold subsidy. The conditions under which these mines are working are such that no anxiety is felt as regards their immediate future though naturally all are concerned with the continuous trend of rising costs. These remarks are leading to the question as to the wisest policy which can be pursued by the Commonwealth Government with a view to ensuring the continuity of operations generally inside the goldmining industry. It is obvious to all connected with goldmining, that costs continue to rise as at present so the minimum grade of ore which can profitably be treated can also rise. The result of this is that low tonnages of low-grade ore containing considerable quantities of gold are being, and will be, left in the ground and not recovered.

Further than this such gold as is by-passed will not be recoverable in the future. It would surely seem that the sound long-term policy of the Commonwealth Government would be

one that would ensure the greatest possible quantity of this national asset being removed from the ground and converted to the benefit of the national economy. In the goldmining industry we are dealing with a wasting asset and if, as I believe, it is the Government's policy to assist gold mines to produce as much gold as possible during their existence, then any assistance towards this end must be available to the industry before it reaches the stage of early exhaustion. I am not unmindful of the assistance which the Commonwealth Government is already giving to the goldmining industry, and am also not unmindful of the necessity for increased assistance through the gold subsidy which has been requested to meet the case of certain marginal mines. I support these applications entirely.

It does, however, occur to me, and I think there is little room for argument, that assuming the Government's policy is that as much gold as possible should be produced during the lifetime of the industry, it is well worth consideration by the Commonwealth Government that a straight out bounty of so much per ounce should be paid to all gold producers, while at the same time continuing the subsidy to marginal mines. The overall cost to the Commonwealth Government would not be excessive compared with assistance which has been given in the past to other primary industries and would result undoubtedly in the production of much gold which would otherwise remain in the ground and thus be lost for all time to the Australian economy.

I think those reports sum up the state of affairs as it applies to assistance which is being given by the Commonwealth to the goldmining industry. There is a misconception in the public mind that the entire goldmining industry is being assisted by the Commonwealth; but that is not the case. Assistance is only being given to what are termed marginal mines. As pointed out by Mr. Agnew, in his address last year, there are a number of mines which are not receiving any subsidy at all. It is my view, at any rate, that the best way out would be to continue the subsidy to the marginal mines and make a straight-out bounty of so much an ounce to the other mines which, for the time being, come within what is termed a marginal category.

The mining industry is worth maintaining. Why a nation like America cannot, or will not, do something to assist the gold-producing countries of the western world is beyond my comprehension. We have had a lot of very interesting addresses during this session of Parliament about our North-West, and surely America could exhibit some greater interest in the welfare

of this part of the western hemisphere. America has all of the money. She has poured millions of pounds into Europe to stabilise governments and to set up others that, in some instances, have proved unworthy of the assistance that has been given them. Australia is needful of financial assistance to develop its undeveloped areas and requires to find work for its existing population.

Everyone knows how necessary it is to build up the country and here is an industry that can do it. It is an industry which employs 5,800 men, or a figure in that vicinity. If it could only get a fillip—another £5 or £10 an ounce for its product—it would, instead of employing 5,000 or 6,000 men, employ 20,000 or more and we would not be pulling up railway lines at Wiluna, Laverton and other places.

Those are the parts of Western Australia where we have hospitals and schools and where people have their homes. There are gold mines which could be worked tomorrow if only the price of gold were brought up somewhere near the margin which applies to all other primary products. It is beyond my comprehension why the statesmen of the western world and the members of the International Monetary Fund cannot do something about it. It is also beyond my comprehension why our Federal Government does not realise the situation more. We have the background of our wool industry which has carried the country along for many years and which is now in the balance. Here we have another industry that could save the situation, but it must be supported and sponsored by the Federal Government.

In his interesting speech on opening day, Mr. Wise gave us facts and figures regarding the income that is derived from Western Australia; and I feel that the mining industry should get more than was allotted last year, namely, the sum of £500,000. It would be like throwing bread on the waters; it would come back a hundredfold.

I do not like wearying the House with long extracts from other people's expressed views, but I have one which I consider is worth placing on record. It is taken from an address given by the president of the Mines & Metals Association on the 24th of June last year. The president is a man who has done a great deal for mining not only in Western Australia but throughout Australia and his name is greatly honoured on the Eastern Goldfields, where the Western Mining Corporation is held in great respect. The president, Mr. Lindsay Clark, had this to say—

Hopes have revived that the gold price will be reviewed as one of the steps to counteract the spread of the U.S. recession.

The position is summarised in "The Economist" of 3rd May, 1958. The alternatives discussed there must all be subject in varying degrees to the vagaries of national policy which are likely to be specially marked in time of crisis. They also have yet to be implemented. The gold advocate would press the view that gold is not subject in the same degree as the alternatives to the effects of national policy and accordingly international devices of the sort suggested would work much more effectively on the basis of adequately priced gold reserves. The serious objection of the advantage that might accrue to Russia can only be balanced against the disaster of a real slump in the free world.

On the point of the effect of higher gold price reviving inflation in the U.S. the resources of the Federal Reserve Legislation are thought by many to be adequate to insulate in large measure the effects from the banking system.

On the contrary an increase in the price of gold would only be a recognition of the inflation which has already taken place the world over, including the United States.

The present price of gold of \$35 an ounce was fixed in 1953, when the consumer price index number in the U.S. stood at 55.3 and the wholesale price index at 42.8. The former index in January, 1958, stood at 122.3 and the latter at 118.7; increases of 122 per cent. and 176 per cent. respectively.

The consumer price indexes for other commodities have increased since 1933, in the case of wholesale prices, by 122 per cent., and retail prices by 176 per cent. To continue—

Had the price of gold been allowed to follow commodity prices, it would now be somewhere between \$77 and \$97 an ounce, or roughly at \$87, if one used the mean of the two indices.

There is the picture. Had gold followed the rise of other commodities, instead of being fixed at \$35 an ounce, today the price would have been \$87 and members can imagine what a difference that would have made to the goldmining industry in this State. It would have meant another \$52 per ounce, which would have been extremely helpful to my electorate. Mr. Clark's remarks continue—

A higher gold price would increase the reserves in non-dollar countries to a point at which the difficulties in controlling international trade would be greatly diminished, because it would allow a much freer flow of goods than is possible at present.

Gold could thus, by promoting healthy competition, add to the effectiveness of the various fiscal and

other devices to control inflation: none of which, as the former Chancellor of the Exchequer, Mr. Thorneycroft, said in his recent speech of resignation, whether of the Left or of the Right, worked very well.

Apart from its monetary function gold is of special significance in Australia and in Western Australia in particular. Gold is the most widespread mineralisation in Australia and under favourable economic conditions output could again expand as it did in the 'thirties. At present Australia produces approximately 1,000,000 ounces which provides \$35m. exchange. If the gold price were raised to \$70 per ounce, which would not seem excessive in relation to the current price level, the value of a million ounces would, of course, rise to \$70m. Under the stimulus of such a price increase production could double in the next few years and would then provide \$140m., a very substantial contribution to our need

To continue—

"The Role of Gold Today" is the subject of an article by the Economist, Roy F. Harrod, in the *Economist*, Society of South Africa journal, Vol. 26, No. 1, March, 1958, to which I would refer anyone interested in this subject. Mr. Harrod concludes—

After all this is the most vital point of all for the development of world trade and prosperity. I dare predict that whether post-war attempts to resuscitate multilateral trade bear fruit and lead to a further development of it or are followed by a retrogression to bilateralism, barter agreements and totalitarian planning depends more than on anything else and indeed depends to the main extent, on whether the United States Congress has the good sense to raise the dollar price of gold in proportion to the rise that has already occurred in the dollar prices of goods.

Although much more could be said on the subject, suffice it to say that I hope our own Government will pursue the matter constantly with the Federal Government. It must be acknowledged that the State Government has done a very good job within the limitations imposed on it. The Government has helped the Gwalia mine, has built a battery at Menzies, has helped Hill 50 and has assisted prospectors as well as carrying out a drilling programme which I would like to see expanded. However, all this costs money. I repeat that I would like to see the scheme of assistance to prospectors broadened and liberalised, but the answer lies with the Federal Government which I hope will increase the assistance it is giving the State. Of course the overall answer lies with America and with the International Monetary Fund.

If we are to preserve our Western civilisation and continue to occupy, and build up and develop Australia, surely America should assist us to do so! We do not want to go cap in hand to America, but our interests are largely parallel with theirs. What a good thing it is when they come in with their money as they have at Esperance. There we have millions of acres of land, in a kind climate and with a bountiful rainfall, just awaiting the money to develop it, and now that money is coming.

In spite of the fact that Mr. Chase and his confreres are now being criticised, they have done a great job, just as did Mr. de Bernales, when he brought millions of pounds here from England and developed our mining fields. Just because a lot of those ventures later collapsed he was hounded and criticised, but I will not have a bar of that. When anyone tries to do something it is said to be all right, if successful, but if the venture falls down in some respect the Press and others hound the person responsible. I think Mr. Chase and his associates have done a splendid job in Esperance and the publicity they have given and the money they have brought into the State have placed Esperance in a position from which it will not look back, and the State will benefit from that. Years ago, de Bernales did the same thing, as I have said, in the case of the mining industry, and I hope America will do something about the price of gold, because indirectly America will benefit if this State is populated and developed. If that is done the Western world will have here a splendid outpost. That will be a great thing for those free nations which need the support of reliable countries of their own way of thinking. I had a few other matters to deal with, but as I have taken a little longer than I expected I say, once again, that I support the motion.

THE HON. J. MURRAY (South-West) [3.40]: In rising to support the motion for the adoption of the Address-in-reply, I want to join with other members in congratulating you, Sir, on your election to the high office of President of this Chamber. I sincerely trust that during your term of office you will display your good judgment and tender your valuable advice and your knowledge to the members of this Chamber. To Mr. Abbey I tender my congratulations on his becoming a member of this House. I join with other members, also, in supporting what we call the formal motions and expressions of regret on the passing and loss of members.

I intend to speak on one or two questions, feeling perfectly happy that previous speakers have looked upon this Address-in-reply debate as offering an opportunity to express any complaints if they have them, to make any condemnations if they wish to express them of the

Government's actions and also to grasp the opportunity to wander largely, during their speeches, from one end of the State to the other. This debate gives members plenty of scope to say what they feel on certain matters which they consider important, but which other people do not consider important at all.

The first matter on which I want to speak is in relation to political appointments. Last year, I raised a question concerning the Betting Control Board, which appears in Volume 2 of the 1957 Parliamentary debates. I pointed out the board had cost for the year ended the 30th June, 1957, an amount of £15,482. I went on to point out that the board consists of five members, two of them are employed full time and, in addition, a staff of five are engaged. I questioned what the staff was for. I even went to the length of saying that at that stage of the board's operations, they toiled not, neither did they spin.

When this board was first established, the Government of the day—quite rightly, I would say—decided that the offices of chairman and deputy chairman would be two most important posts because the occupants of those positions would have a full-time job in trying to organise such an important new sphere as that of betting operations. In its wisdom, or otherwise, the Government selected the Commissioner of Police to act as the first chairman of the board. It also took the manager of our Tourist Bureau and appointed him as deputy chairman although I would say that he was a man who could best be spared.

Their salaries, at that time, of course, were in keeping with those paid for their previous posts. Nobody can object to that. I have always said that a man is worthy of his hire and if the Government wants to transfer a man from one function to another it has to accept the responsibility of paying him his previous emolument, if not more.

Sitting suspended from 3.45 to 4.0 p.m.

The Hon. J. MURRAY: Before the suspension I was referring to the question of political appointments and had reached the stage where I pointed out that the Government appointed the Commissioner of Police as chairman and the Director of the State Tourist Bureau as deputy chairman. I agreed with those appointments in view of the responsibility of the positions. I would point out; that the Betting Control Board has five persons on its staff, yet the salary of the chairman was in the vicinity of £3,100 a year while the deputy chairman received £2,200. They were paid these high salaries to control a staff of five.

The Government acted in a responsible manner when it appointed those two gentlemen to their positions on the Betting Control Board at that salary. On this matter of political appointments I want to point out that during last session of Parliament, as a result of the amendment of the relevant Act, the duties of the chairman and deputy chairman were reduced considerably. The responsibility was thrown on the Commissioner of Stamps to decide whether or not a bet had been made. For that reason what I said is as true today as it was then. The Chairman and the deputy chairman have been given sinecures because the officer now charged with the main responsibility is the Commissioner of Stamps, although evasive methods are still being used in betting which the commissioner cannot check.

It is amazing to me that when one of the supporters of the Government fell by the wayside, in having lost the confidence of his electors, he was given the important appointment of deputy chairman of the Betting Control Board, with the understanding that when the chairman vacated the position, he would be moved up. At that time the chairman was nearly due for long service leave prior to retirement.

Let us see what salary that former member received in his capacity as deputy chairman. He received the salary which had been paid to the Director of the State Tourist Bureau. We must realise that when the political appointee assumed the office of deputy chairman he knew nothing about the job. Whilst he was resting on his laurels, so to speak, before taking over the chairmanship of the board, he received an emolument of £2,200. The salary for the deputy chairman was not adjusted until recently when the Minister tabled certain papers before this House. That took place on the 7th January, 1958. The salary of the deputy chairman was reduced from £2,238 to £364 and similarly the salary of the chairman was reduced from £3,290 to about £3,000. The amount of £364 is still being paid to the deputy chairman, who carries out that job in a part-time capacity. While he is acting as deputy chairman he will get £364 a year, in addition to his salary as Director of the State Tourist Bureau.

Whilst the Government might be able to justify this appointment to the satisfaction of this House, another place and members of the public; it cannot justify its action to the public servants. How could the Government justify such an appointment when a comparison is made of the salaries of the chairman and of public servants of this State. Let us take the case of the under secretaries who hold important positions and who receive £3,000 odd and compare it with the deputy chairman of the Betting Control Board who receives £3,000 to be in

charge of five employees yet the Commissioner of Public Health receives only £3,900. The Under Treasurer receives only £3,600, the Solicitor-General £3,580 the Director of Education £3,550, yet the chairman, with a staff of five, receives £3,000 in his sinecure.

One of the most important posts in this State is held by the Director of Agriculture who receives £3,440, in addition to £200 as Chairman of the Land Settlement Board. The Principal Architect, a senior public servant, receives £3,200. So we can go down the list. The Registrar of the Supreme Court is paid £3,130. Surely it must be recognised that these officers are doing a far more important job than the Chairman of the Betting Control Board. The chief under-secretaries receive only £3,090, while the Manager of the State Insurance Office—an instrumentality about which we will hear more later in the session and which brings in revenue for the Government—receives £3,090, or £90 more than the Chairman of the Betting Control Board.

The Surveyor General is another public servant receiving a smaller salary than Mr. Styants. He receives £2,990. The Commissioner of Titles receives only £2,990. And so we go right down the list. These are all highly skilled men and we respect them for their knowledge in the particular spheres in which they are employed by the Government. Yet we find this man with no ability and no knowledge of the subject he is supposed to be controlling except what he has acquired from a short trip to Tasmania and New Zealand, possibly—

The Minister for Railways: He is a highly respected man.

The Hon. J. MURRAY: I did not say he was not. I spoke of his qualifications.

The Minister for Railways: You said something about respect.

The Hon. J. MURRAY: Not with regard to him. I mentioned it in connection with the men on this list.

The Minister for Railways: Will you admit that he is highly respected?

The Hon. J. MURRAY: In places. I would like now to compare his salary with that paid to another man in a like instrumentality. This also was a political appointment, and I am quite in favour of the person who was appointed and of the job he is doing. The salary of the Chairman of the Lotteries Commission is £1,200. He is doing a man-size job for a very low salary in comparison with the other.

Sufficient has probably been said about political appointments, although we will probably hear more about them at a later stage. I want now to move to a subject that is near to the heart of every member of the South-West community—not necessarily every hon. member of this House.

The Hon. J. M. A. Cunningham: Char-coal iron!

The Hon. J. MURRAY: No, but I shall come to that later. I wish to speak now on the matter of fire protection in the karri forests area. I was amazed, when looking through the report of the Conservator of Forests of last year, to find he skipped over this serious subject. In his report, he draws attention to the fires that took place and who was regarded as being responsible for them, but he skipped over the very dangerous position that has been allowed to arise in our karri forests. I make no reservations at all in this matter.

Whilst the department is doing a good job in the jarrah country—I would say it is a comparatively easy job in the jarrah country—it is neglecting—and “neglect” is the right word; one might almost say criminal neglect—the question of fire protection in the karri forests. In days gone by the karri forests were made safe by breeders of stock in the South-West who had coast runs. They would take the cattle to the coast, and as they went along they would put a match into anything that would burn. In this way they would get a comparatively safe burn throughout the area so that for years and years, right in the heart of the karri forests, we had no serious fires.

Because of the present outlook of: “Do not drop a match: do not do this; and I have not got the number of men to do the job properly” we find the position is quite different. In the early days the cattle travelled through this country and, in passing, suitably fertilised it. All those things that can grow up in the forest and become a danger, have grown so that last year, with respect to one of the most regrettable and tragic fires we have ever had, the Forests Department found it did not have a body of men sufficiently large to cope with the trouble. It found itself regrettably and inevitably trapped by fires that no human element could possibly stop. That is the position into which the karri forests have got, right throughout the State.

I view with grave concern the fact that the Conservator, in his report last year, just brushed over the question of fire protection in the karri forests. The jarrah country is comparatively easy to keep clean because in that country the problem of the rapid growth of undergrowth—undergrowth that will, in three years, grow almost as high as the galleries here—does not arise.

I shall now touch lightly on another question which will probably be dealt with further, because I understand that legislation in regard to it is to be introduced. I refer to the State Government Insurance Office. Last year the State office offered a most comprehensive and liberal and, we might say, no-questions-asked motor

vehicle policy. This is a desirable form of public insurance, but what do we find in relation to it? The State Insurance office employed what are known as private assessors who were supposed to protect the motorist as well as the insurance office. I hope that if the State Insurance office has not put on its own assessors, it will make a severe check on those it appointed prior to some 12 months ago, because it is common knowledge that in calling for tenders for work to be done on a motor vehicle after it had been through an accident, they would accept what might be called the lowest tender, irrespective of the qualifications of the person who tendered, or of the size of the job. The tender might not necessarily be the lowest submitted, but it could be classed on that scale.

Then by reason of the strange powers they have, after having accepted a tender of, say, £180, to repair a car, they would suddenly present the insured person with a notice from the man who attempted to do the job, pointing out that other things that had not been taken into consideration would cost a further large sum of money. In known cases, this extra amount meant a 100 per cent. increase and, in fact, more, on the original amount. I am not going to dwell any further on that matter, but shall now deal with the State Building Supplies and their losses. In the return of the State Building Supplies for this year, we find these losses are still accruing.

It still amazes me—I have said this in the House before, and also in another place—that an instrumentality working in an industry in which others work, and operating on the same wage scale, awards, and everything else should not do as well as the others. The only thing is that this State concern gets some relief which the private operators do not. If it wants new motor vehicles, etc., it receives certain benefits in the way of tax exemptions. But, even so, it cannot make the money that the private individual makes.

We must examine the position to see where all these losses are occurring. This goes back to some political appointments; it is not free from that aspect, either. But in the main, of course, it is due to the fact that the right to hire and fire has been removed from the people who control the department; the people who know whether a man is worthy of his hire or not. Because of long service leave, and various other benefits, the right to hire and fire has been removed from those who are really controlling the industry. In addition, there is the high cost of administration. The whole thing is top heavy. I wonder whether the Minister, who is also the Minister for Railways—

The Minister for Railways: He is not the Minister for State Building Supplies.

The Hon. J. MURRAY: No. I was going to deal with this question from the railways angle. Would the Minister like to inform the House who paid for the reconstruction of a mill to cut long, out-size timber for bottom rails for railway wagons. These pieces of timber were in 62-ft. lengths and were cut in the mill. I admit that it was a man-size job, but the mill had to be reconstructed for the purpose, at a cost of some thousands of pounds. The railways, I am sure, are not going to pay the price of the timber, the overhead cost of reconstructing the mill; but someone has to pay it.

The Minister for Railways: Tell me which mill, and I will try to find out for you.

The Hon. J. MURRAY: The Minister has only to refer to the State Building Supplies which arranged for a special Press representative to visit the mill to write up this matter.

The Minister for Railways: What is the name of it? There is no secrecy is there?

The Hon. J. MURRAY: I do not want to pinpoint the mill.

The Minister for Railways: You would make it much easier if you told me.

The Hon. J. MURRAY: The reconstruction took place at the Shannon River Mill. This reconstruction was necessary in order to cut a limited number of beams which, I presume, were sold at the market price.

The Hon. J. M. A. Cunningham: Could they have been cut at other existing mills?

The Hon. J. MURRAY: I do not know without checking, but possibly so. No tenders were called. The same applies to the next subject with which I wish to deal—the Midland Junction Workshops. I have said time and time again that I admire the personnel, and the qualifications they hold, at the Midland Junction Workshops; they have a desire to do a good job for the State and they were imbued years ago with that desire. But frustration almost brought stagnation. What do we find today? I had the opportunity of visiting the Midland Junction Workshops recently and their activities have snowballed to such an extent that if all the work carried out by engineering shops throughout the State were given to the Midland Junction Workshops no trouble would be experienced in handling it. But is that good for the State?

All work done by the Midland Junction Workshops must carry an allowance for idle machinery that cannot possibly be used. This is a similar thing to the beams that were purchased by the railways. In regard to the work done by the Midland Junction Workshops, the instrumentality for whom the work is done will not be victimised because it is another Government undertaking and it will be merely a

charge levied by one Government department on another. The people who are being penalised are the taxpayers of the State; they will have to meet the losses sooner or later.

I freely admit that every person should have a look at the Midland Junction Workshops because it is something well worth seeing. But it is another white elephant, because all the machinery there cannot be used to its fullest extent, unless it is used in competition with free enterprise which means one organisation putting men on and another putting them off.

The Minister for Railways: It was the first works of its kind in the State.

The Hon. J. MURRAY: I admit that.

The Minister for Railways: Then why are you objecting to it?

The Hon. J. MURRAY: Work well outside the requirements of the department is being done.

The Minister for Railways: Where does the competition come in? It was the first works of its kind in the State.

The Hon. J. MURRAY: I shall ignore that interjection and will move on to the subjects of forestry and land settlement. Some years ago, in another place—about 1948—I challenged the then Government, as I have done other Governments since, in regard to answers to questions; and I am pleased to note that other hon. members in this House have been confronted with the same difficulties as I have had. These answers cannot be classified as deliberate falsehoods, but they are couched in terms that are intended to deceive. I had a lot to say about this matter in 1948, as Mr. Wise would probably remember. I asked various questions and, because I used one word where I might have used another, the officers supplying the answers took the shortest and easiest routes in supplying the answers.

The Hon. F. J. S. Wise: In 1948 I was in the same position as you were; I could only ask questions, too.

The Hon. J. MURRAY: Yes, and the hon. member will recall that I had something to say then to the Ministers responsible. The answers given were meant to deceive. I was asking questions about the development of Bunbury harbour, and I will have more to say about that later. Not only have departmental officers supplied answers which were meant to deceive, but some officers have put up similarly couched reports to this House. They are not telling lies but the figures given are such as are meant deliberately to deceive.

In regard to the questions I asked, I shall pass the first over because I asked the Minister whether the Government was prepared to take Crown lands, other than State forests and timber reserves, out of the hands of the Conservator of Forests, and the answer was "No," as I expected it

would be. Had the Government agreed to take the matter out of the hands of the Conservator of Forests it would have meant that people who had selected land, and were fortunate enough to have obtained small blocks, would be able to retain any royalties on the timber left on the property. It would have been a very small matter so far as the Government was concerned but would have meant a good deal to the people who had taken up the land. However, I knew that I would get the answer I got, and I have no objection to it. However, yesterday I asked a question which reads as follows:—

In connection with the report of the Forests Department for the year ended the 30th June, 1957, where the Conservator states on page 7, that over the past 12 years the department had agreed to release 1,327,235 acres of Crown land and State forests for settlement and leases—

The Minister produced a table in reply. On page 7 of the report the Conservator stated that the timber reserves totalled 1,821,000 acres. Those figures were put into the Forests Department report to lead people to believe that they were the timber reserves of the State, and from which areas we could expect our timber to be cut. But when I asked a question as to whether this area had been classified, as laid down in Section 19, Subsection (2) of the Forests Act, the Conservator said that only 39,800 acres out of a total of 1,800,000 acres was jarrah forest.

What is the rest? It comprises pines, sandalwood, mallet, mining timber and firewood—1,681,000 acres of it. So the whole mention in the Forests Department report of 1,800,000 acres of forest reserve is of no value to those who are interested in the timber industry of this State. I went on to ask another question; and here we find the department decided to accept the question as it was framed and to answer it because that was the easiest way out. I asked whether the Minister could inform the House whether there was any land in blocks of 5,000 acres or more, available in the South-West Land Division west of the 118th meridian. Because I used the word "blocks" it apparently indicated that I might have been wanting a block of 5,000 acres or more for myself. I wonder, if I had used the term "areas of 5,000 acres or more," whether I would have got the same answer. But there would have been no excuse for it then.

The Minister said that under the Land Act land could not be made available for selection in blocks larger than 5,000 acres. I knew that all along. I am not looking for land in the South-West Land Division, but what I am trying to find out is whether there is any land in blocks of 5,000 acres and over which can be subdivided and granted to settlers in that part of the State.

The Minister for Railways: You framed your question wrongly.

The Hon. J. MURRAY: Yes, and I apologised earlier for that and for giving them a loophole. I should have known better.

The Minister for Railways: It could have been done in an easier way and then they would have known what you wanted.

The PRESIDENT: The hon. member may proceed.

The Hon. J. MURRAY: I found that there were a few blocks suitable for a different type of farming from that in which I was interested but they were in that portion of the State north of Perth. I asked another question, and here again I must apologise to the Minister because I did not actually dot the "i" or cross the "t". I asked a question based on the report of the Conservator of Forests for the year ended the 30th June, 1957.

The paragraph about which I wanted some information was framed in such a way that it was deliberately meant to deceive. He said that over the past 12 years the department had agreed to the release of 1,327,235 acres of Crown land and State forests for settlement on lease. He added a footnote to that, but unfortunately I have not the report with me. However, his words were to the effect that this was an effective reply to those people who said that the Conservator was such a dictator that he would not release the land for land settlement.

That is one of the reasons why that paragraph was put into the report, and so I asked a question in regard to it. I wanted to know what the total yearly releases were, in reference to the 1,327,235 acres, and in what area of Crown land and State forests they were. I also wanted to know what area was Crown land and State forests, what area was released for Government land settlement schemes, and in which areas the land was made available each year. I admit that the question was framed a little loosely.

Taking that question as a whole it should have been obvious to the Conservator of Forests that I wanted to know the acreage in each area, because we find on the list of areas made available names such as Kalgoorlie and the metropolitan area. I venture to suggest that all that has been released at Kalgoorlie has been land for the cutting of firewood, or other land which is completely unsuitable for forestry. It still does not alter the fact that he claims 1,327,000 acres has been released. In his reply to paragraph (c) he says that a total area of 840,000 acres has been released to the Commonwealth Government for land settlement.

In other words, we find that over the last 12 years two-thirds of the releases have been made to the Commonwealth Government, and not to the people in this State; they have not been made to those

who wished to take up land for the purpose of establishing settlements and holdings. I succeeded in securing the tabling for two weeks of maps showing the State forest areas. It was necessary for me to do this because only in the last four or five months, in company with the members of this House and those of another place, I travelled through a lot of this country. There appeared to be doubt as to who owned it. I thought the Conservator would probably tell us it was in forest reserves, and that is why I asked the question. I have not had time to look at the map and without doing so my only conclusion is that the land is in a State forest area.

I have been one of the greatest battlers over the years to endeavour to retain, under the control of the Conservator, every suitable acre for the growing of jarrah; I have rigidly upheld his right to say "No" when any encroachment was attempted on his sphere of influence. But I say, without fear of contradiction, that I have travelled miles and miles of this country without seeing any payable jarrah on it. We find that land on the one side of it, or for a few miles along the road, is being suitably used for the production of wool, or for farming activities generally. But we find that acres upon acres are tied up, and yet this land is refused to men who have been born and bred in our country, who have grown up and have sought areas adjacent to their parents' holdings—they have not been granted one acre of this land.

It amazes me to see from the answers I have received that this land is tied up by the Conservator of Forests under a blanket cover provided under the Forests Act. This makes the Conservator all-powerful. It enables him to say "No" whenever he wishes; and he does so without a true examination or appreciation of the circumstances. I will quote one case which to me is positively criminal. Many years ago an area was thrown open for selection and four stout-hearted people took up blocks in it. They are still about 50 miles from any of the main centres around them. But, as I said, they selected these areas and are still farming them. Hon. members should try to visualise the plight of these four men who are 50 miles from any main centre at all; we should try to appreciate just what they receive in the way of amenities—they receive none at all. Yet we find land adjacent to them, which is eagerly sought by other settlers, being refused them. I cannot understand why this land is tied up—unless the Government wishes to grow scrub pines on it—when there are people who are willing to settle on it—alongside the four men I have already mentioned—and are anxious to build up a community in order that they may provide certain amenities for the people in the area.

They are refused this land without any proper inspection because it is in the power of one man, and one man only, to say yea or nay. I would like to touch on the promises made to these people in isolated areas, particularly in the days of early settlement. In some cases they were promised a railway line. They did not get a railway line, and today they do not want one. But let us examine the position with regard to the cartage of their produce which, in the main, is wool and which, because of the development of its harbour, the wool store, etc., is exported from Albany. As I say, these settlers were promised a railway line; they were refused a railway line, and now they receive a permit from the Transport Board to cart their farm produce. But how far are they permitted to cart their produce? They cart it to the nearest rail head. It is carted 60 miles by road vehicle, where it is unloaded on to a Government truck and then carted by Government instrumentalities another 60 miles to the port of call.

This, of course, necessitates double handling, which in turn adds to the costs of these people, and to the community generally; and heaven knows we all have enough to pay already. Surely the Government does not have to insist that these people cart to the nearest rail head, and transship their goods merely to keep an already broken down railway system going!

The Hon. A. F. Griffith: And there is a good road from where they are to the port.

The Minister for Railways: Produce is carted 300 miles from Carnarvon to Geraldton.

The Hon. J. MURRAY: I do not wish to enlarge on that theme; I will leave it to other members to complete the picture. I now wish to touch on a matter raised by Mr. Griffith the other night, with regard to encouraging free enterprise. It would seem that the Minister misunderstood some of Mr. Griffith's pleas concerning the ilmenite works. These works are established at Capel. The cost of establishing a new industry is well over £1,000,000. As the Minister said, there is a tendency to slacken up in the industry; that it does not look as good as it first did. But what has been the position so far as the industry at Capel is concerned? We all know that the only way to keep costs down is by maximum production. But not only have they put off men on the day shift, they must also forget all ideas of working a night shift, which, in this industry, is quite feasible.

They must forget all about this because these people—who are the biggest consumers of power from the State Electricity Commission South-West Power Scheme—cannot get a differential rating for off-peak periods. At night,

when nobody else requires current, they are obliged to pay the same rate as they do during the day, when everybody wants the use of this necessity. So while they are prepared to help the S.E.C. to get rid of some of its excess current in the non peak period, they are met with an adamant refusal of a differential rating. Because of this they cannot work night shift. What is the position with regard to freight and wharfage charges so far as this industry is concerned? The trucks that cart the product of this industry from Bunbury to Capel are condemned railway vehicles; they are only one step removed from those trucks which are used for rock haulage.

The Minister for Railways: They still have to be hauled there.

The Hon. J. MURRAY: Yes, but they are condemned trucks. On top of all that the industry concerned must supply the kibbles, or containers, for the carting of the ore. This means the railways have only to pick up the goods, and for that service they charge 19s. a ton.

The Minister for Railways: The charge is 16s. odd, including the haulage back of the empties.

The Hon. J. MURRAY: Then the cost must have been reduced. Hon. members will be interested to know that this company pays the highest wharfage charge in Bunbury; it pays 3s. 6d. a ton which, to my mind, is exorbitant for a new industry of this type, which is trying to establish an overseas market—as I have already said it is the biggest consumer of power the S.E.C. has. It is not right that it should be penalised to the extent of having to pay 3s. 6d. a ton. Unless there has been an alteration in recent years I think that in order to encourage the use of Bunbury for the loading of cereal—oats, wheat and other grains—no wharfage is charged at all. I doubt whether it is charged today. That is the treatment being meted out to industries in our State.

The Minister for Railways: Busselton would be closer and cheaper.

The Hon. J. MURRAY: Do you mean with regard to ilmenite?

The Minister for Railways: Yes.

The Hon. J. MURRAY: I doubt very much whether that is true in regard to the Capel works.

The Hon. G. C. MacKinnon: Busselton was investigated very thoroughly.

The Hon. J. MURRAY: Efficiency of handling would have to be taken into consideration from the company's point of view.

Mr. Griffith made certain remarks with regard to the encouragement of free enterprise. However, I am not going to delve very deeply into this question and will just draw the Minister's attention to the remarks by the Commonwealth Government in relation to the Commonwealth Bank

premises that are being built here. The Commonwealth Government has said a large saving has transpired through getting a contract from one of the firms in Western Australia.

The Hon. F. J. S. Wise: Wouldn't that only be a mythical saving between the estimates of the Public Works Department and the actual tender?

The Hon. J. MURRAY: I doubt very much whether it would be a mythical saving.

The Minister for Railways: They are efficient blokes this time.

The Hon. J. MURRAY: Apart from any savings which may be made I suggest that any filip given to private enterprise puts the money back into further development in some shape or form. However, when Government instrumentalities are used there is no profit at all and, in the main, they are looked upon purely and simply as employers of people. They are not profit-making concerns. One might turn from that encouragement of free enterprise and raise the question—as was done in another place—in regard to No. 10 berth at Fremantle. Would it not have been better for the Government to have let a contract to free enterprise; a contract containing a penalty clause similar to that in connection with the Narrows Bridge.

The Minister for Railways: We will see what it costs ultimately. When we know the final cost we can talk about it.

The Hon. J. MURRAY: Up to date it has cost over £1,000,000. Tenders were never called, but if they had been, with the provision of a penalty clause, the Government would have provided for what has happened at Fremantle today.

The Minister for Railways: Tenders were called for the bridge.

The Hon. J. MURRAY: I am suggesting that the Government should have done the same thing in connection with No. 10 berth.

The Hon. A. F. Griffith: Isn't it better to know what you are committed for?

The Minister for Railways: One does not know with free enterprise; they have a rise and fall clause.

The Hon. A. F. Griffith: Not always.

The Hon. J. MURRAY: There are two or three further items which I would like to mention. In 1948 I challenged the then Government in regard to answers to questions which I had asked in relation to Bunbury harbour development. I think it appears in the Parliamentary Debates of 1948, Volume 1, pages 673 to 679. I dealt at some length with this subject because Bunbury Harbour development was of some importance as far as the South-West portion of the State and the State generally was concerned. It had a most important bearing on the welfare of the South-West portion of the State.

In challenging the Government on this question I pointed out that in 1946, or a little bit earlier, I listened to Mr. Hawke, then Minister for Works and Industrial Development, elaborate on a scheme for Bunbury Harbour development. This scheme was then known as the Stephenson Young plan. It was drawn up and formulated by Stephenson Young with the brains of Russell Dumas. Since then it has been compiled in booklet form by Colonel Tydeman. When speaking with relation to this matter I said that the main problem with regard to the Bunbury harbour was the question of silting.

Subsequent to the Stephenson Young plan we had the benefit of Colonel Tydeman coming to this State. At that time he came purely as a temporary adviser, and he gave an overall picture of what he thought was going to be the development of the South-West portion of the State over the next 100 years and produced a plan elaborating major developments. He varied very little in the overall picture so far as Bunbury Harbour development was concerned from the plan envisaged by Messrs. Russell Dumas and Stephenson Young. However, he did vary it by one particular item which most of us, at that time, were persuaded to think was a minor matter.

The Bunbury estuary had to be plugged so that the flow of water from the Collie and Preston Rivers would go out to the sea, and not through the Bunbury harbour, because the main danger was silting. That was an essential portion of the plan. The problem was, where should the plug be situated? We found that Mr. Stephenson Young recommended that the plug be put in at Mill Point. That would have meant that no flow from the Preston or Collie Rivers could possibly go into the Bunbury Estuary at all.

Mr. Tydeman, in his wisdom at that time, decided the plug should go in at Point McCloud. Although this seemed a minor matter at the time, it has now become a big concern of the residents of the municipality of Bunbury; especially when they get a flood in the Preston and Collie Rivers—as they have just had. On the Preston the flood waters are confined in the main by levees. Once the water reaches the Bunbury Estuary it tends to flow on its old course until it meets the plug at Point McCloud. Therefore, we have the peculiar circumstance of water in the estuary being some three or four feet higher than the tidal water in the harbour. Certain wise men are suggesting that the only thing to do now is open the plug at Point McCloud and let the water get through there.

If anybody falls for that, the problem will again be back on our hands—the silting of Bunbury harbour. We have no alternative, and no alternative was approved. If the plug had been put where first suggested by Stephenson Young and Russell Dumas, the force of water that has

just come down the Preston and Collie Rivers would have overcome all the difficulties experienced with the cut, and it would have washed the cut clear of the obstructions that are there.

It is regrettable that it has been left so long and that so much harm has been done. However, I trust the Government, in its wisdom, will get back to its previous thinking on industrial development as far as Bunbury is concerned. The people cannot have it both ways. If it wants these small estuarine waters between the present plug and Mill Point it cannot expect industrial and harbour development to follow. The only way to do that is to fill in the estuary with waste material, as has been done in other areas.

I want to touch on only one other subject that has been raised in this House. It concerns King's Park and its native timbers. I received numerous letters from people all over the State in the hope that I would preserve King's Park for posterity. I am glad I was not put in the position of having to vote on this question, because whilst I agree that we want the trees—a lot has been said about them in relation to their curative effects against smog—to anyone who knows our native timbers growing in their own habitat, it is a heart-break to see King's Park as it is now.

It is overgrown with useless scrub, which few people would like to take overseas visitors to view in an endeavour to show them our native timbers in their natural state. The timber in King's Park does not represent our true native timber at all. The jarrah there is of the same type as that which grows on some of the forest reserves that I have mentioned; useless to us or to posterity. If we are to conserve King's Park—and I hope we do—let us try to make something of it. Let us establish there botanical gardens, or something of that nature, and encourage the proper growth of our native timbers, even if we have to supply additives to the soil in order to make the timber grow as nature intended it to. Do not let us continue to have there this dwarf mallee type of jarrah. I have used another expression to describe it, but will not do so here. Let us leave King's Park—

The Hon. H. L. Roche: What is the next stop?

The Hon. J. MURRAY: We return now to the South-West and to the country between the South-West and Geraldton. I had no intention, originally, of dealing with this matter, but several hon. members have mentioned the question of the charcoal iron industry and the release of 1,000,000 tons of iron ore for export overseas. I therefore desire to remind members of what I said last year in regard to this matter, when the Minister moved a motion relating to it, and asked us to support the export of 1,000,000 tons of iron ore. "Support" was the word he used in

the original motion. He asked us to support the export of 1,000,000 tons of iron ore from Talling Peak and the establishment of a charcoal iron industry in the South-West portion of the State. I was successful in moving to have the word "support" struck out, and the words "interested in" inserted in lieu.

I wish to stress again the views which I expressed on that occasion, because some people seem to have very short memories. One man in the South-West keeps hammering this subject, but I will not mention any names—

The Hon. H. L. Roche: Is he a friend of yours?

The Hon. J. MURRAY: Yes. I told the Minister last year that, if it was simply a question of the exporting of 1,000,000 tons of iron ore from Talling Peak, or even 2,000,000 or 3,000,000 tons, I would support any move he made in that direction, because I believed the exporting of that quantity of iron ore would not greatly affect this State's reserves, nor would it have any great bearing on Commonwealth strategy. Of course, if we did export 1,000,000 tons of iron ore there is the possibility that the other States might wish to export small amounts of iron ore, but I do not think the Talling Peak iron ore means much to this State from a tactical point of view.

Admittedly it does, in all probability, mean something to the State's economy and I repeat—I said it last year—that if the Government or any individual tries to tie up the exporting of 1,000,000 tons of iron ore with the establishment of a charcoal iron industry, that is simply not fair, because the two questions are poles apart and must be viewed in that light.

The Minister for Railways: We had to give a reason to secure the export licence.

The Hon. J. MURRAY: The Government only wants the money and that is where the Minister's view differs from mine. The Minister says the Government has to tell the Commonwealth how the money is to be spent.

The Minister for Railways: That is what the Commonwealth wants to know.

The Hon. J. MURRAY: The Minister knows, as well as I do, that it is not the prerogative of the Commonwealth Government to say whether this State shall or shall not set up a Government instrumentality.

The PRESIDENT: Would the hon. member please proceed with his highly interesting speech.

The Hon. J. MURRAY: The point I am endeavouring to make clear not only to the Minister, but also to those people in the South-West who are confusing their thinking in this regard, is that when we ask permission to export any commodity

we do not have to give an account of how we will spend the money received. That applies to either a Government instrumentality or a private firm. We know that certain private firms have secured export licences for strategic commodities, such as manganese, from the North, without having to present a case as to how the money received would be spent.

The Minister for Railways: Get on to your mates in Canberra and we will have no trouble.

The Hon. J. MURRAY: Sooner or later the Minister will realise the effect of tying up the question of iron ore with that of establishing an industry and will realise that the association of the two is the stumbling block—

The Minister for Railways: We have to be truthful about it.

The PRESIDENT: Will the hon. member please proceed.

The Hon. J. MURRAY: I have no objection to the Minister's interjections. I believe that the Government did not at any stage desire only to export 1,000,000; 2,000,000; or 3,000,000 tons of iron ore. What it did want to do was to establish a charcoal iron industry in the South-West portion of the State.

The Hon. H. K. Watson: At Collie or Bunbury?

The Hon. J. MURRAY: That is still problematical. The backbone of the Government's idea being that it wished to establish this industry, it had to find a plan whereby it could get money other than the Loan Funds obtained for other purposes.

The Minister for Railways: Be fair. There was a request to buy the iron ore.

The Hon. J. MURRAY: I do not for one moment suggest that the Government did not have a firm order for 1,000,000 tons of iron ore, but I believe the fundamental and basic thought in the Government's mind was not the selling of 1,000,000 tons of iron ore or finding a purchaser for it, but rather the establishment of a charcoal iron industry in the South-West portion of the State; an industry for which Wundowie was set up as the pilot plant, in order to see whether it would be an economic proposition.

I do not think anyone can question the right of the Government of the day to set up a State instrumentality if it wishes to do so. I express my view that I am opposed to any socialised venture, but I would hate anyone to think that I would turn around and, because of my views being diametrically opposed to those of the Minister in this regard, tell him that the Government had not the right to establish this industry if it thought that by doing so it could win friends, obtain dividends and the like. The Government has a perfect legal right to follow such

a course, although I do not think it would be in the best interests of the State for it to do so. I simply appeal to the Government to keep apart the two questions—the export of iron and the establishment of a charcoal iron industry in the South-West—so that those who might support it on the one proposal may do so without supporting it on the other. I support the adoption of the Address-in-reply.

On motion by the Hon. W. F. Willesee, debate adjourned.

ADJOURNMENT—SPECIAL.

THE MINISTER FOR RAILWAYS (The Hon. H. C. Strickland—North): I move—

That the House at its rising adjourn till Tuesday, the 2nd September.

Question put and passed.

House adjourned at 5.28 p.m.

Legislative Assembly

Thursday, 21st August, 1958.

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The **SPEAKER** took the Chair at 2.15 p.m., and read prayers.

QUESTIONS ON NOTICE.

RENTAL HOMES.

Capital Invested, Rent Received, etc.

1. Mr. CROMMELIN asked the Minister for Housing:

(1) How many State-owned rental homes were there at the 30th June, 1958, and what amount of capital is invested in them?