

Legislative Council

Friday, 14th March, 1952.

CONTENTS.

Page

Questions : Egg Marketing Board, as to administration cost	2014
Railways, as to strike and train schedules	2014
Water supplies, (a) as to quantity pumped through Goldfields main	2014
(b) as to rock catchment near Newdegate	2014
Hospitals, as to operating theatre, Fremantle	2015
Harbours, as to survey at Geraldton	2015
Bills : Land Act Amendment, leave to introduce 1r., as to 2r.	2015
2r.	2015
Oil Refinery Industry (Anglo-Iranian Oil Company Limited), 1r., 2r.	2018
2r., remaining Stages	2025
Industrial Development (Kwinana Area), 1r., 2r.	2023
2r., remaining Stages	2041
Motion : Dairying Industry, as to development of substandard farms	2045
Adjournment, special	2047

The PRESIDENT took the Chair at 11 a.m., and read prayers.

QUESTIONS.

EGG MARKETING BOARD.

As to Administration Cost.

Hon. N. E. BAXTER (without notice) asked the Minister for Agriculture:

Has he noticed in the Western Australian Egg Marketing Board's fifth annual report and the Auditor General's report for 1951, that the administration cost has risen to 15-odd per cent., whereas the statutory amount is 10 per cent? If so, does he intend to take any action in this respect?

The MINISTER replied:

I have noticed the references and the question will receive the attention of the Government.

RAILWAYS

As to Strike and Train Schedules.

Hon. A. R. JONES (without notice) asked the Minister for Transport:

In view of the serious position in regard to engine power for the railways owing to the strike, will he give favourable consideration to running trains for the cartage of goods only until an improvement in the position is brought about?

The MINISTER replied:

The question is being closely examined from day to day and we may have to run trains for the cartage of goods as requested by the hon. member. As to

the strike and its effects, there is to be a mass meeting on Saturday morning and we are hopeful, following that, that early action may be taken to restore the normal train schedules.

WATER SUPPLIES.

(a) As to Quantity Pumped Through Goldfields Main.

Hon. W. R. HALL (for Hon. G. Bennetts) asked the Minister for Transport:

Will he supply the following information:—

(1) The amount of water pumped from Mundaring Weir into the Goldfields water main for the month of January?

(2) The amount passed through No. 3 pumping station?

(3) The quantity of water arrived at—

- (a) Merredin;
- (b) Bruce Rock;
- (c) Bullfinch;
- (d) Norseman;
- (e) Kalgoorlie?

(4) What is the maximum amount per day that can be pumped from Mundaring Weir into the Goldfields main?

(5) The maximum amount per day which can pass through No. 3 to No. 4 pumping station?

The MINISTER replied:

(1) Two hundred and eighty-nine million gallons.

(2) Two hundred and eighteen million gallons.

(3) (a) One hundred and ninety million gallons.

(b) One million gallons (approximately).

(c) Two million gallons (approximately).

(d) Ten million gallons.

(e) One hundred and sixteen million gallons.

(4) Nine million gallons.

(5) Seven million gallons.

(b) As to Rock Catchment Near Newdegate.

Hon. A. L. LOTON asked the Minister for Transport:

(1) Is he aware that there is a rock catchment adjacent to Roe Location 942 which is north-east of Newdegate?

(2) If the answer is in the affirmative—

(a) what is the area of such catchment;

(b) will steps be taken at the earliest opportunity to conserve the water from this catchment as a potable supply for the town of Newdegate and surrounding district?

The MINISTER replied:

(1) No. The department has no detailed information. The department is undertaking surveys of rock catchments and will be pleased to receive information about rock outcrops.

(2) Answered by (1).

HOSPITALS.

As to Operating Theatre, Fremantle.

Hon. E. M. DAVIES asked the Minister for Transport:

(1) What is the reason for the delay in erecting the prefabricated operating theatre at the Fremantle Hospital?

(2) When is it expected the work of erection will commence?

(3) Are these buildings in the State, or en route, or are they still waiting shipment from the United Kingdom?

The MINISTER replied:

(1) The order for the prefabricated components was placed on the 28th March, 1951. These components have not yet been received.

(2) The prefabricated components are expected to arrive about the middle of April. The work of erecting these will commence immediately they are received.

(3) The prefabricated components are on board s.s. "Linaria" which left Avonmouth about the 12th February and is expected in Fremantle about the middle of April.

Actually, the foundations and concrete floor for this structure have been in position for several months, and contracts have been entered into for the supply and installation of the services and equipment.

HARBOURS.

As to Survey at Geraldton.

Hon. L. A. LOGAN asked the Minister for Transport:

(1) Has the report of the survey of the Geraldton harbour been received yet?

(2) If the report is unfavourable, will he take immediate steps to have the rock breaker forwarded to Geraldton, so that no unnecessary delay will be occasioned by having the harbour out of commission?

The MINISTER replied:

(1) A preliminary report following a hydrographic survey with echo sounding equipment on the outer approach to the harbour has been received.

Certain detailed examination by a diver is to be carried out as soon as possible.

No decision can be made regarding possible future operations until after the inspection by the diver has been made.

BILL—LAND ACT AMENDMENT.

Leave to Introduce.

HON. H. C. STRICKLAND (North)
[11.13] I move—

For leave to introduce a Bill for an Act to amend the Land Act, 1944-1950.

My objection is prompted by the urgent necessity to encourage the production of food. The Prime Minister of Australia and almost all world economists at present, backed by Press reports and statements, have emphasised the extremely urgent need for more food to be produced from the land. To facilitate more settlement in the fertile northern areas of this State some alteration to the Land Act as it stands today will be required. In its present form the Act is an impediment and a definite obstacle in that it retards settlement of important food producers throughout the State. There are several residents in the Broome area who made application last May to take up some portion of partly used pastoral land.

The PRESIDENT: May I draw the hon. member's attention to the fact that he is merely asking for leave to introduce his Bill and, while he may outline the principles of it, it seems to me that he is going beyond those limits.

Hon. H. C. STRICKLAND: I am merely giving the reason why it is necessary to introduce the Bill.

The PRESIDENT: Very well, but I would point out that the hon. member is making a second reading speech in giving the reason.

Hon. H. C. STRICKLAND: In view of the fact that the Government's own particular business is to be debated at this sitting, I am, of course, prompted to make some explanation in support of my motion.

The PRESIDENT: I think the hon. member has outlined it very well.

Hon. H. C. STRICKLAND: Well, Sir, if I have your permission, I will proceed to justify my request for leave to introduce this measure.

The PRESIDENT: The hon. member has my permission if he confines his remarks to the reason for requesting leave to introduce the Bill.

Hon. H. C. STRICKLAND: My reason, as I have said, is that the Land Act is impeding the development of the North; very much so. I can explain this much to the Chamber; If an individual desires to take up one acre of fertile land for agricultural purposes he has to wait for years before he can settle on it and I am desirous of introducing something here that will expedite his chances of being able to take up the land. If an individual

wishes to settle on a block he has to apply in the normal way to the department. The department gives 12 months' notice to the pastoralist concerned and he, in turn, at the end of 12 months, if he does not desire to release that portion of his land on which the settler wishes to produce food, can take it up himself. Thus the intending settler is frustrated, and if he desires to reach his goal he must go through the same process again after selecting another area.

The PRESIDENT: Will the hon. member indicate the purpose of the Bill?

Hon. H. C. STRICKLAND: That is the purpose, but I thought I was not supposed to discuss the contents of the Bill. I was trying to give some sound reason why this Parliament should deal with a vital problem which requires some urgent solution.

The PRESIDENT: Very well, but the hon. member can deal with the reason when speaking to the second reading.

Hon. H. C. STRICKLAND: I am aware as to what will happen on the first reading.

Hon. H. Hearn: So you are trying to get in as much as you can now.

The PRESIDENT: The hon. member cannot anticipate the will of the House.

Hon. H. C. STRICKLAND: Am I in order in proceeding, Sir?

The PRESIDENT: The hon. member is keeping within Standing Orders in giving reasons for leave to introduce the Bill.

Hon. H. C. STRICKLAND: Very well, they are the reasons; the shortage of food as has been pointed out by every economist and statesman in the world and as reported in the Press, and my object in introducing the Bill is to make it easier for settlers to obtain land in order to produce food.

The PRESIDENT: Very good!

Hon. H. C. STRICKLAND: I would also like to add further reasons in order to explain the obstacles which need to be removed before the settler is able to take up land to produce food. I know it is competent for this House to refuse leave but members would be voting blindly if they did so.

Hon. H. S. W. Parker: You know the Bill will not go beyond this House.

Hon. H. C. STRICKLAND: Members do not know what it contains and I am not allowed to tell them. That is the position and, if I am not acting within the scope of the Standing Orders in my attempt to make out a case and ask the House to consider an amendment to the Land Act, I can only say we are arriving at a stage in our history where the rights of individuals count for nothing.

The PRESIDENT: I think the hon. member has made out a very good case.

Hon. H. C. STRICKLAND: I can see that I am not going to be allowed to proceed.

Hon. H. S. W. Parker: Who said so?

Hon. H. C. STRICKLAND: I appreciate that, and can only hope that when this Chamber reassembles it will be in a better frame of mind and be more mindful of the ordinary people—that is the masses—

Hon. J. A. Dimmitt: How do you know our frame of mind?

Hon. H. C. STRICKLAND: —and their difficulties, and not merely of a few combines and companies for whose benefit we have been called together solely to deal with certain legislation. Perhaps some member will do me the honour of seconding my motion.

Hon. A. R. JONES: I second the motion.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [11.22]: I must oppose the motion for leave to introduce this Bill on the ground that Parliament was called together for the specific purpose of dealing with two important and urgent Bills concerning the establishment of the Anglo-Iranian oil refinery at Kwinana. I can see nothing in the matter the hon. member has brought forward that is of sufficient urgency to warrant the setting aside of the specific object for which this House was called together. There will be a later session of this Parliament, as the hon. member knows, in a few months time, and it will be quite competent for him to bring the matter forward then when it will receive sympathetic hearing and attention. But I consider that the Bill is in no way urgent and it would only be a waste of time for this House to give leave for it to be discussed.

HON. H. HEARN (Metropolitan) [11.23]: I hope that the House will not agree to the hon. member's request. As the Minister has pointed out, we have been called together for a special job and I feel we would not know when we were going to finish if we permitted private members to bring down legislation. I certainly think the hon. member had a good opportunity of explaining his case; I notice he referred to monopolies and combines, but to my mind that is just a bit more propaganda. I hope the House will not allow the hon. member to go on with his Bill.

HON. E. H. GRAY (West) [11.24]: I hope the House will agree to the motion because, since we adjourned last year, there have been important developments in the Commonwealth; threatened shortages of food and all kinds of other economic difficulties. To my mind the hon. member is to be commended for inform-

ing the House that it is necessary to amend the Land Act in order to deal with the weaknesses in legislation as regards the settlement of land in the North-West. He should be commended for his efforts and the motion should be agreed to.

HON. G. FRASER (West) [11.25]: I hope the motion will be agreed to. I cannot understand the attitude of Mr. Hearn in suggesting that when we meet we should deal with one subject only. Heavens above! It is a long time before August or September—one might even say October, because it will take all that time for the Address-in-reply to get through. This means that there will be a lapse of 9 or 10 months in the year during which time everything has to be held up from a parliamentary point of view because Parliament has not the opportunity of meeting. This is the opportunity we have; this is not a new session that has been called specially to deal with this business; it is a continuation of the old session.

The hon. member's Bill was not dealt with during the old session and I can see no objection to dealing with it now. The idea is a good one, and I think that now Parliament is meeting we should deal not only with one or two measures which the Government might think important but with any other measure which may be considered so by private members. For instance, I could name quite a lot of other matters with which we should deal. I suppose the Government has said, "We are going to deal only with so and so and that is all there is to it." I notice the Government Whip is very busy, and I suppose he will see that the House will not deal with any other business other than that which the Government wishes it to discuss. This measure should be dealt with and, because I consider it an urgent matter, I am going to vote for the motion and I hope the majority of members will be of the same mind as I am.

HON. J. M. A. CUNNINGHAM (South-East) [11.27]: I accept the challenge of the hon. member on the opposite side of the House, and I hope leave will not be granted to introduce this Bill. I, too, fully appreciate the very worthy motives behind the hon. member's Bill.

Hon. H. C. Strickland: Why do not you want to discuss it?

Hon. J. M. A. CUNNINGHAM: For the simple reason that the House was called together for a specific purpose. I would agree whole-heartedly with the hon. member that we should have two sessions rather than one. If we were aware of that we would then be able to organise our own affairs.

Hon. G. Fraser: This is not a special session.

Hon. J. M. A. CUNNINGHAM: I know as well as any other member in this House that we have been called together for a specific purpose. Opportunity should not be given to other members to bring in Bills no matter how worthy their object may be, particularly when they can be left until the normal session of Parliament. Despite the good motives of the hon. member, I think this matter could quite easily be left until the next session. At present there are many members who have obligations in their districts which they must fulfil. There is no alternative. We would not be able to fulfil those engagements if we were interrupted halfway through them to deal with other matters which have been brought before this House.

HON. L. A. LOGAN (Midland) [11.28]: This is not a special session of Parliament; it is a continuation of the previous one. I feel that the House is competent to deal with anything that may be brought forward irrespective of what the Government may think to the contrary. I certainly disagree with Mr. Cunningham when he says that our duty is solely in the country. Our duty is here if we can, by legislation, help to improve the primary production of our State.

Hon. J. M. A. Cunningham: I said we had obligations in our districts.

Hon. L. A. LOGAN: If we can improve primary production by means of this Bill I think we should give leave for it to be introduced. Our obligations are here rather than in the country particularly when something of this nature is before us. I support Mr. Strickland's case because I think it is our duty, particularly with the shortages that exist, to do all we can to get that production into being. I support the motion.

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

Ayes	.....	10
Noes	.....	9
Majority for	.....	1

Ayes.

Hon. E. M. Davies	Hon. A. L. Loton
Hon. E. H. Gray	Hon. H. C. Strickland
Hon. W. R. Hall	Hon. J. McI. Thomson
Hon. A. R. Jones	Hon. F. R. Welsh
Hon. L. A. Logan	Hon. G. Fraser

(Teller.)

Noes.

Hon. J. Cunningham	Hon. J. Murray
Hon. Sir Frank Gibson	Hon. H. S. W. Parker
Hon. H. Hearn	Hon. C. H. Simpson
Hon. C. H. Henning	Hon. J. A. Dimmitt
Hon. Sir Chas. Latham	

(Teller.)

Question thus passed; leave granted.

First Reading.

Bill introduced and, on motion by Hon. H. C. Strickland, read a first time.

As to Second Reading.

Hon. H. C. STRICKLAND: On a point of explanation, is it competent for me to speak on the first reading, now that the Standing Orders have been suspended?

The Minister for Agriculture: You have already got the first reading of the Bill agreed to.

The PRESIDENT: Is the Bill ready for distribution?

Hon. H. C. STRICKLAND: No, it is not printed yet.

The Minister for Agriculture: Move for the second reading to be taken at the next sitting or later on today.

Hon. H. C. STRICKLAND: I move—

That the second reading of the Bill be made an Order of the Day for a later stage of the sitting.

Question put and passed.

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

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland) [11.36] in moving the second reading said: I think I can fairly claim that in submitting information to this Chamber, I have endeavoured at all times to present factual statements, giving facts and figures as fully and completely as possible and avoiding undue optimism or over-elaboration. In this instance, however, I feel that I am warranted in saying that the introduction of this Bill will mark the commencement of a new epoch in the industrial development of Western Australia.

It can be assumed with confidence that the opening of Cockburn Sound to large ocean-going vessels will be followed by a port and industrial development in this area that a few short months ago could have been regarded as fantastic. Here we have—subject to parliamentary sanction—the first step in the accomplishment of that objective. This progress will have repercussions extending far beyond the boundaries of Western Australia, one realisation of which will certainly be a considerable addition to the population of the State.

At the present time, it is known that a new cement works, an iron and steel industry and a chemical works also contemplate commencing operations along the shores of Cockburn Sound. Other developments will undoubtedly follow. It is very possible that the Commonwealth Government will decide to use the Sound for the purposes of a naval base and a naval dockyard, and negotiations in this regard

will be put in hand immediately by the State Government. It is known that the naval authorities have been interested in Cockburn Sound for some considerable time, but deep water access was the difficulty and this will now be resolved by the cutting of channels for industrial use.

The successful negotiations carried out by the Minister for Works, Hon. David Brand and the Co-ordinator of Works and Industrial Development, Mr. Dumas, deserve unqualified praise and have earned the gratitude of the State.

Hon. J. A. Dimmitt: Hear, hear!

THE MINISTER FOR TRANSPORT: Cockburn Sound contains 17,000 acres of safe, land-protected water. Its most extreme depth is 72 feet and the average depth of the whole Sound is 42 feet. Within 600 feet of the shore there is 30 feet of water. For many years this invaluable asset has been denied its right to share in the development of the State by the sand banks that closed it to vessels of more than light draft.

But with the successful results of the negotiations with the Anglo-Iranian Oil Coy., the State Government is prepared to undertake the considerable task of dredging a channel through the Success and Parmelia Banks, which lie between the Sound and Fremantle Harbour. These two sand-banks are 2½ miles and 1½ miles wide respectively and are separated by the ½ mile-wide strip of deep water known as Owen's Anchorage.

This development will naturally have its effect on the harbour at Fremantle. It is proposed that wharves shall be built in Cockburn Sound to handle all bulk cargo. At present, oil represents 25 per cent. of the total tonnage handled at Fremantle, and a further 25 per cent. is accounted for by wheat, phosphate rock and sulphur. Fremantle would still remain a major port dealing with passenger traffic and mixed cargoes.

Before dealing with the Bill, I should like again to give credit to the Minister for Works, Hon. David Brand, and to the Co-ordinator of Works and Industrial Development, Mr. R. J. Dumas, who, at so short notice, conducted the negotiations which, firstly, interested the Anglo-Iranian Oil Coy., in the possibilities of Western Australia as a site for the refinery, and later, the further negotiations which brought about the final successful result. Members will appreciate the value of these efforts made by the Minister and Mr. Dumas when it is realised that it was only last October that they were directed by the Government to travel to the Eastern States and enter into negotiations with the company's representative, Mr. Coxon. On their arrival, it became apparent that the company had practically decided on a site in Victoria.

On presenting the case for this State, the Government's representatives emphasised the claims of its outports to the

site. In this they followed the policy of decentralisation which this Government firmly believes to be in the best interests of the State. The outports, however, did not possess all the requirements essential to the establishment of a refinery.

The spotlight then shifted to Cockburn Sound and the company's representatives immediately became interested. They were attracted by, firstly, the expanse of deep water in the Sound itself; secondly, the unsettled and reasonably level nature of the adjacent terrain; thirdly, the fact that 12,000 kilowatts of electricity could be made available from South Fremantle, and, fourthly, that the provision could be guaranteed of 3,000,000 gallons daily of potable water from underground and reservoir sources. I might say that provided it is potable, artesian water is suitable for refinery requirements.

At the same time the State had to guarantee that it was prepared to provide housing, road and railway facilities and to ensure a navigable channel into the Sound. All these commitments and the possible effect of the refinery on the economy of the State were weighed and the conclusion reached that they were warranted. An important factor in arriving at this decision was that, in other countries, the establishment of refineries had attracted other large industries to adjacent sites.

Turning to the Bill, members will notice that the bulk of it comprises, as a schedule, the agreement signed by the Premier, representing the Government, and Mr. A. E. C. Drake, as Attorney for the Anglo-Iranian Oil Coy. Ltd. The map following the schedule will be of great value to members, as it shows clearly the areas to be used by the company for the refinery and for amenity purposes.

The Bill first asks that the agreement shall be approved, ratified and confirmed. This confirmation is contained in Clause 3, Subclause (1) of the Bill. Subclause (2) of Clause 3 gives to the provisions of the agreement statutory force as if such provisions were enacted in the Bill, with a certain modification in respect of Clause 5 of the agreement. This is to make it clear that the provisions of Clause 5 are binding, not merely upon the parties to the agreement, but also on other parties affected thereby. For instance, under Clause 5, paragraph (n) of the agreement, it is provided that the refinery site shall be rated on the unimproved value, with an exception in regard to any part of the refinery site upon which a permanent residence is erected.

If it were not for the provisions of Subclause (2) of Clause 3 of the Bill, it might be argued that Clause 5, paragraph (n), of the agreement was only binding on the parties to the agreement, and not on the Rockingham Road Board, so that if at any time the Rockingham Road Board

should rate on the capital value, the company would be compelled under the Road Districts Act, to pay rates on the capital value but could recover from the State, under Clause 5 (n) of the agreement, the difference between the amount paid for rates on the capital value and the amount which would have been payable for rates on the unimproved value. Subclause (2) of Clause 3 of the Bill, however, would have the effect of binding the Rockingham Road Board as effectively as the State.

Subclause (3) of Clause 3 does not do very much more than emphasise the provisions of Subclause (2) of that clause, but is inserted at the express request of the company and its solicitors. It is designed to make it clear that the provisions of the agreement shall not be nullified or interfered with by any authorities or bodies in the State other than Parliament itself. The following points may be made in regard to this subclause—

(a) There is nothing to prevent this Parliament at any time in the future from legislating in regard to anything dealt with in the agreement or in the Bill;

(b) *Prima facie*, the company will be bound by all present and future regulations, bylaws, rules, orders and proclamations made and notices given under other Acts except to the extent that they may be expressly modified by the agreement. If, however, the company should at any time consider that its rights under the agreement were being prejudiced by any such regulations, etc., it could contest in a court the application to the company of those regulations, etc. The regulations etc. however, would be found to be binding on the company unless the company were able to satisfy the court that it was necessary, in order to give effect to the agreement or to ensure the full exercise and enjoyment of the company's rights under the agreement, that the regulations etc. should not apply to the company. If it so satisfied the court, then it would still be competent for Parliament, if it so desired at any future time, to legislate in regard to the matter.

It was originally intended to make a list of the Acts that would be affected by the agreement and expressly to amend those Acts so as to give effect to the agreement. It was found, however, that at least 12 Acts would be affected, namely—

Road Districts Act.

Municipal Corporations Act.

State Housing Act.

Fremantle Harbour Trust Act.

Metropolitan Water Supply, Sewerage and Drainage Act.

Fremantle Municipal Tramways and Electric Lighting Act.

State Electricity Commission Act.

Main Roads Act.

Public Works Act.

Government Railways Act.

Town Planning and Development Act.

Anglo-Persian Oil Company Limited (Private) Act, 1919.

Firstly, it would have made a very long Bill if all of these Acts were expressly amended. Secondly, the agreement itself mostly provided for the necessary references to those Acts. Thirdly, while neither the Government nor the company could think of any other Act that would be affected by the agreement, it was realised that there might be some other Act and particularly some bylaw or regulation made under an Act which could have the effect of upsetting some part of the agreement or at least rendering the legal position doubtful. It was, therefore, decided not to make any express amendments of the many other Acts affected, but merely to make it clear that all other Acts and matters done under other Acts should be read subject to the provisions of the agreement insofar as it would be necessary to do so in order to preserve its sanctity.

In Clause 4 of the Bill authority is given for the acquisition of land that cannot be resumed under the provisions of the Public Works Act, but that in such cases resumptions shall be made in exactly similar manner and subject to the same conditions as those laid down in the Public Works Act. It is possible that it may be necessary to acquire certain land in order that the State may carry out its obligations under the agreement, but as the work for which this land would be required could not be included in the definition of "public work," it has been found necessary to include this provision in the Bill.

Power is given in Clause 5 for the State to purchase and the Fremantle Municipal Tramways and Electric Lighting Board to sell the electricity undertaking of the latter. As I have already explained, the Government is required to supply 12,000 kilowatts of electricity to the refinery, which, however, is situated in the district controlled by the Fremantle Municipal Tramways and Electric Lighting Board. Before the State Electricity Commission could erect the necessary power line and supply power to the refinery, it would be necessary to amend the agreement that exists between the State Government and the Fremantle board. As members know, negotiations have been taking place for the purchase by the Government of this undertaking. If these negotiations are successful, it was felt that the inclusion in the Bill of the provisions of Clause 6 would facilitate the

sale and overcome certain problems. The Fremantle board realises that it would find it very difficult to meet the extra capital expenditure which would be required if it were to endeavour to meet the demand from the refinery.

With regard to the agreement, Clause 3 enumerates the obligations accepted by the company. Clause 4 refers to those to be met by the State, and Clause 5 details facts that have been agreed on by both parties. The company agrees, firstly, to construct and establish an oil refinery with a designed capacity of at least 3,000,000 tons of crude oil per annum and to maintain, operate and use the refinery together with any additions and alterations to the refinery. It is estimated by the company that the refinery will cost £40,000,000. In addition, the company will be required to erect and to maintain wharves, jetties, landing places, berths, etc.

The establishment of a construction camp to house the 5,000 workmen engaged in erecting the refinery and its ancillary constructions will be the obligation of the company. The company is most anxious not to affect the economy of the State in any possible way. It does not wish to drain employees from other industries or from rural areas, and thus desires to employ as much migrant labour as possible. To this end the State will make or support representations to the Commonwealth for special quotas of migrant labour. On the other hand, if surplus local labour becomes available the company's operations will provide an avenue for absorbing such labour. I understand that the company has set 1955-56 as the date by which the refinery should be completed.

I will come later to the Government's obligations in regard to the dredging of the channel, which it is estimated will cost about £4,000,000. In order to service the loans which the Government will find it necessary to raise to finance this work, the company has agreed to pay annually 6 per cent. of half of the cost of the dredging or £120,000, whichever sum is the lesser. Six per cent. of half of £4,000,000 would represent £120,000. This payment will commence one year after the 1st July next following the date upon which the refinery comes into full production.

In the meantime, the company will make monthly payments to the Government as from the date petroleum is first received into the refinery from tankers. The amount of these payments will bear the same proportion to £120,000 or the lesser sum I mentioned before, as the previous month's intake bears to the designed annual capacity of 3,000,000 tons. The company will be required to advise the Government monthly of its total intake of petroleum until such time

as full production is reached, and to give the State every opportunity to verify this information. Cement will be a commodity required in quantity by the company, which has agreed to import its entire needs in this regard.

The agreement binds the company to comply with accepted modern refinery practice in the erection, equipment and operation of the refinery and to use the standards and specifications required by Great Britain and the United States of America.

Dealing now with the State's obligations under the agreement, the first is that the Government shall acquire, either privately or by resumption, 75 acres of land which shall be sold to the company at a maximum cost of £750, for the purposes of a recreation ground, social centre, etc. This area, which is south of the refinery site, is coloured green on the map at the back of the Bill.

Hon. G. Fraser: Is that land privately owned?

The MINISTER FOR TRANSPORT: No, it is a reserve. In addition, the Government proposes to reserve a small adjacent area for the purpose of a children's playground. This will be a Class "A" reserve.

The State will not permit the use by unauthorised persons of the shore front of the refinery, nor of the wharves, jetties, berths, etc., nor will any person be allowed to use the waters within 50 yards of these installations. This prohibition will not apply to the areas immediately north and south of the refinery site. The area on which the construction camp will be located will be leased to the company by the Government for the duration of the construction of the refinery.

The Government will provide electric power to the construction camp at the standard rates charged by the State Electricity Commission to private consumers. There was some difficulty in persuading the company to pay the standard rate, but in view of the Government's difficulties in regard to power generation and supply, the company agreed to its wishes. There will be nothing to stop the company generating its own power later if it should so wish. The Government will also, at the company's expense, install water and sanitary services at the construction camp, these services to be approved by the Commissioner of Public Health. Roads and footpaths in the construction area will be provided by the Government.

Within six months of the commencement of construction work by the company the Government will be required to supply 1,000 kilowatts of electric power. This power will be of 50 cycle and will be charged at standard rates. The company has agreed to give the Government 24 months' notice of the amount of electric power that will be needed

at the refinery, and the Government will, within 2½ years of the commencement of construction by the company, erect a high tension power supply system, minus transformers, to a point within the refinery site. All power supplied by the Government will be charged at the prevailing standard rates.

A considerable part of the area which will be used for the refinery is owned by the Commonwealth which took over a large extent of coastal land in the district shortly prior to World War I, when the then Commonwealth Government was impressed with the possibilities of Cockburn Sound as a naval base. Although a considerable amount of dredging work was done by the Commonwealth authorities, the scheme was eventually abandoned.

Although negotiations with the Commonwealth are not yet complete, they have advanced to the stage where the State Government is able to assure the company that it will be able to sell to the company all that area coloured pink in the plan at the back of the Bill. The sale price will not exceed £80 per acre and will be equal to the amount charged the State by the Commonwealth. This is a provision required by the company and I understand that the price will be considerably less than £80 per acre. A most necessary requirement by the company is water. The construction camp will need 200,000 gallons of potable supply daily, and this will be made available by the Government at a charge equal to that made by the Metropolitan Water Supply Department for excess water for industrial purposes.

The next provision in the agreement is the one of the utmost importance, that of dredging. This, of course, is a responsibility that has to be borne by the State. The company has asked for two alternative schemes. The first proposal is that within three years the Government shall have dredged a channel 36 feet deep and 300 feet wide. Within the next 12 months the channel shall be deepened to 38 feet, and within the following two years, widened to 450 feet. This will result within six years in the provision of a channel 38 feet deep with a bottom width of 450 feet. This will be sufficient for tankers of 32,000 tons which are in use by the company. The alternative scheme is to provide over a period of four and a half years, a channel 38 feet deep and 500 feet wide. This would cater for 40,000 ton tankers which the company may decide to build. If the second alternative is adopted the company's annual payment to the Government in connection with the dredging will be a maximum of £150,000 instead of £120,000.

The first scheme is expected to entail the dredging of six and a half million cubic yards, at a rate of a million cubic yards a year. The second scheme would necessitate the removal of one million to

one and a half million yards a year with a total dredging of approximately seven million cubic yards. It is intended that the material will be dumped at sea in three separate space grounds. All the dredging will be through sand. During the last war some two million tons of sand was removed from the channel by the State Government, to allow small naval vessels, such as corvettes or frigates, which are of about 1,000 tons, to use the Sound. This provided a channel from 22 to 26 feet deep which has since shown little signs of silting.

The agreement provides that if the contractor doing the dredging fails to maintain the conditions of his contract he shall be subject to penalty. This is regarded as important as both the company and the Government will have sunk large sums of money in the scheme. For this reason and for the lengthy period that the dredging will take, it is essential that a contractor of sufficient stature to honour his obligations be obtained.

One of the most stringent requirements of the company was in regard to the housing of its estimated minimum of 1,000 permanent employees. The company made it very clear to the Government that unless this housing was provided there was no chance of the refinery being erected here, and that it did not intend to build the houses itself. The Government, therefore, had no option but to undertake that it would provide at least 333 houses a year for three years, these to be built within 2½ miles of the refinery and to designs agreed on by the company with the State Housing Commission. It is estimated that these houses will cost, on an average, about £2,000 each. The company requires that 100 of the houses shall be of brick, and that 50 of these shall be finished within two years.

The houses will be let to the company for a maximum period of five years, after which the company may renew any lease for not more than two years. At the end of any tenancy the company is required under the agreement, to place the house in proper order and condition, after which the company may nominate one of its employees to purchase the house under the provisions of the State Housing Act.

Within 2½ years the Government will be required to supply a maximum daily supply of 3,000,000 gallons of potable water, which the company will pay for at the excess industrial rate that applies in the metropolitan area. Should the Government sink a bore and supply water direct from it to the company, such water will be charged at half of the excess rate.

Other obligations of the Government are the construction of requisite railway lines and roads. It will be necessary to construct a railway to the refinery, either from the Woodman's Point line or from another point. Any lines constructed

within the refinery site will be paid for by the company. The same arrangement applies to roads to be constructed by the Main Roads Department. I might mention, at this stage, that road tankers used by the company will, of course, conform to the requirements of the Traffic Act.

The company will not be required to pay wharfage or pilotage charges for its own vessels unless they use the inner harbour at Fremantle. If tugs are used they will be charged for. Any other vessels which use the company's wharves or berths will be subject to charges to be fixed by the Fremantle Harbour Trust. The company will not be permitted to allow its wharves, etc., to be used by any other person or for any other person except with the written authority of the Fremantle Harbour Trust.

Several matters have been mutually agreed on by the Government. The first of these allows the company to remove and sell any improvements made by it to the land set aside for the construction camp. The State, of course, may purchase any of these improvements should it so desire. The company will be required to make good any loss or damage to the land, which will be leased to it by the Government or to any permanent fixtures thereon.

It was agreed that the company should, at its own cost, lay down and construct the pipes and incidental works necessary to distribute oil from the refinery to Fremantle and Perth, and from Fremantle to Perth. This is in accordance with modern practice which tends to be transport of oil by pipeline rather than by road or railway tankers.

The agreement protects the rights of the company under the Anglo-Persian Oil Coy. Ltd.'s (Private) Act of 1919. This provided that the company, now known as the Anglo-Iranian Company, should pay the Fremantle Municipal Council ¼ per cent. of the amount received by the company for sale of oil or liquid passed through its pipeline. At the present time this royalty amounts to £3,000 per annum. The company does not wish to depart from this agreement but does not desire to involve itself for a larger amount.

The agreement provides that the Government shall not take over the operation of or compulsorily acquire the refinery for the term of the agreement, which is until the 1st January, 2000. If such action is taken subsequent to the expiration of the agreement, just and reasonable compensation must be paid.

Great care will be taken by the company to arrest any pollution of beaches near the refinery, and contrary to a rumour that has been spread that plant life within many miles of the refinery will die, Mr. Drake has said that the best

market gardens and flowers in Abadan were those in the refinery site and adjacent areas.

I trust that I have explained the Bill and agreement fully and satisfactorily. If members have any queries, I will endeavour to answer them to the best of my ability, but I would point out that all possible angles have been carefully examined by the Solicitor General and a panel of expert technical and legal men, acting on behalf of the Government, in consultation with the company's solicitors, and these were carefully reviewed by the Cabinet—again in consultation with the Solicitor General and the Co-ordinator of Works—with the object of preserving and protecting the rights and interests of the State. If still further points require elucidation, they can perhaps be explained when the Bill is in Committee.

The Bill is very short and contains few clauses, the subject matter being essentially contained in the agreement itself. Briefly, the measure provides for ratification of an agreement already made and signed and seeks to confirm it. It provides for the resumption of the necessary land and enables the Government to be authorised to deal with the necessary appropriations of money. It deals also with electricity and with wharf operation. I believe it has been received by the public and in another place with universal approval.

We all realise what the establishment of this refinery can do for the State. We must get things into proper perspective. This is probably one of the most important Bills ever brought before this Parliament, in the light of its probable consequences, but it is something that represents a portion only of the activities of the State, though on almost the whole of our activities I feel it will have a beneficial effect. Undoubtedly the result of the establishment of this refinery will be to promote industrial expansion in Western Australia, and to provide us in many ways with a continuity of supplies of certain things that we perhaps could not expect to get in any other way.

One of the by-products of the refinery will be bitumen, which is necessary for the surfacing of our roads. The recovery of sulphur in the form of either native sulphur or sulphuric acid will be possible and, in view of the growing world shortage of sulphur, that is a factor of considerable importance. While we realise the tremendous value of this project to the State we must not forget that even more capital and personnel are tied up in activities such as land settlement—the production of wheat and dairying—coal and goldmining, timber, railways and transport generally, water supplies, shipping, harbours and amenities such as education, hospitalisation and so on. But undoubtedly this new project will be a forward move in the life of the State. It will

bring further population here and will help this great country of ours to expand. It is with every confidence that I commend the measure to the House and with much pleasure I move—

That the Bill be now read a second time.

On motion by Hon. J. A. Dimmitt, debate adjourned till a later stage of the sitting.

BILL—INDUSTRIAL DEVELOPMENT (KWINANA AREA).

First Reading.

Received from the Assembly and read a first time.

Second Reading.

THE MINISTER FOR AGRICULTURE
(Hon. Sir Charles Latham—Central)
[12.15] in moving the second reading said: I draw the attention of members to the fact that this measure is complementary to that which has just been introduced by the Minister for Transport, and is closely allied to it. The principle established by the Bill has been very carefully considered by the Government, its intention being to prevent unfair speculation in land adjacent to Cockburn Sound, which might quite reasonably be expected to be utilised in the not too distant future for industrial purposes.

Hon. G. Fraser: Quite a new principle?

The MINISTER FOR AGRICULTURE: Yes, and I think the hon. member will agree that it is a desirable principle. The area affected is shown coloured in green on the plan at the back of the Bill. The northern boundary of the area is a line running due east from a point slightly north of Robbs Jetty, and the southern boundary commences at a point between Kwinana and the Rockingham jetty, the whole area extending about five miles inland.

For obvious reasons, land owned by the Commonwealth and land required to enable the State to carry out its obligations under the oil refinery agreement, are exempted from the provisions of the Bill.

A considerable area of land is held there by the Commonwealth Government, apart from that held by the State. Actually, only a fractional part of the area is privately owned, a considerable portion being either Commonwealth or State Crown land. However, as the private property is scattered throughout the area, the best course is to define an area that will cover all the land that might possibly be required.

The Bill provides that, until the 31st December, 1953, the Governor, on the recommendation of the Minister, may set apart, take or resume any part of the area coloured green on the plan, for the purposes of industry, public works or town

planning. "Industry" is defined in the Bill as including any trade, profession or business, the reason for such a definition being that many small businesses will eventually probably open in the area to cater for the greatly augmented population, which it is expected will settle in the locality. I do not think there could be any greater attraction for other industries than the establishment of the refinery at Kwinana.

This considerable increase in population will also make it necessary to ensure that the town planning of the area is carried out in conformity with modern practice, and for that reason authority is given in the Bill to resume any part of the area for town planning purposes. Members will realise that that is a wise precaution, in the light of the topsyturvy development of other towns. Here we have an opportunity to show what town planning can do.

Members will notice that Clause 5, Sub-clause (1) provides that land may be resumed for an immediate or future purpose. During the investigations, it became clear to the Government that even should it be possible to decide by December, 1953, what land in the area is required, it may be some time after that date when the land is actually put to use, particularly if it is needed for town planning purposes. It is for that reason that the Bill authorises the resumption of land for future, as well as immediate, use.

The Bill provides that all resumptions shall be carried out according to the provisions of the Public Works Act, with one important modification, that the value of the land shall be such as it was on the 1st January, 1952. Members will recall that, at about the time negotiations began between the company and the Government, when news of that development became public property, a great deal of interest was taken in the purchasing of land from which it was thought that considerable sums of money might be made in the future. This provision is for the purpose of eliminating speculation in that regard.

Hon. G. Fraser: What would happen to properties or businesses already in the district?

The MINISTER FOR AGRICULTURE: If the Government resumed any such property the value would be that at the 1st January, 1952.

Hon. G. Fraser: What about ordinary transactions between individuals?

The MINISTER FOR AGRICULTURE: If the Government resumes any of it, the procedure is clearly set out in the Bill.

Hon. G. Fraser: Forget about the Government resuming it! There is a lot of private property there.

Hon. H. Hearn: The owners could still get the best price for it.

The MINISTER FOR AGRICULTURE: It does not affect them. If the Government does not resume a property it will not interfere with normal transactions.

Hon. L. Craig: There is no limitation?

The MINISTER FOR AGRICULTURE: Not between two individuals unless the Government decides to resume the property.

Hon. L. Craig: But there may be a sale between two individuals and the Government might later resume the land at a lower price.

The MINISTER FOR AGRICULTURE: But only for resumption purposes and not for private purposes.

Hon. L. Craig: Yes, but one person might buy and the Government might then want to purchase that property and its figure might be lower.

The MINISTER FOR AGRICULTURE: It will be the value as at the 1st January, 1952. The Public Works Act provides that if land is resumed before the 1st July in any year, its value shall be that existent on the preceding 1st January. In the area under review, it is considered that any value added to the land after the 1st January, 1952, apart from improvements, would be due entirely to the establishment of the oil refinery. It is for this reason that the 1st January, 1952, has been selected as the datum point.

The Bill provides that, if required, the Minister shall issue a certificate showing any decision made, or consent given under the measure, and that judicial notice shall be taken of the certificate by courts and persons authorised to record land transactions. The main reason for this provision is that the Commissioner of Titles considers that when land has been set aside for the purpose of industrial development, he should be able to issue a caveat against it to protect it until such time as it is disposed of, according to law. This will enable the reason for the transaction to be placed on record. Land may be leased or made available by the Minister for a specific industry or type of business. This condition will then be available on the title for the information of anyone who later may wish to deal in the land with the person to whom it was originally granted by the Minister.

No person who obtains land under the Bill may raise a mortgage on it without the consent of the Minister. Any such mortgage would be to improve the property for the purpose for which the land was granted. In the event of the mortgagor being unable to meet his obligations, and the mortgagee having to sell the land to redeem the debt, the sale will be free from any restriction or condition imposed by the Minister. The reason for this is that if such restrictions or conditions were to remain, the land would have

to be sold to a person who would use it for the purpose for which it was first acquired under the Act. It might be impossible to find such a purchaser and also, if such a condition were to remain, it is unlikely that a mortgage could be raised on the property.

A person might acquire property for the purposes of establishing a tannery. If it was mortgaged and the mortgagor failed to carry out his responsibility under the mortgage, the property could be sold, unless the Minister agreed to it, only to somebody who wanted to establish a tannery. He might not be able to get a purchaser and as a consequence it would have to be held until such time as one came along. This provision will enable the Minister to release the condition on the title. No person obtaining land under the Bill will be allowed to dispose of or deal in the land, or use it for any other purpose than that for which it was granted to him, unless he has the approval in writing of the Minister.

There is on the statute book an Act passed in 1945 known as the Industrial Development (Resumption of Land) Act. This Act which applies to any area in the State, enables action to be taken to resume land after private negotiations have been unsuccessful. The methods of resumption, however, are most involved and cumbersome; in fact, they have been known to cause delays which I believe have adversely affected the expansion of minor industries. On the whole, however, that Act has worked satisfactorily, but it is not considered that it would be suitable under the circumstances for which this Bill is introduced, that is, to discourage speculation and to meet conditions caused by the possibility of rapid industrial expansion.

In regard to speculation I may say that a certain person who some three or four years ago purchased land in the area for under £1,000, and who has done absolutely nothing to improve it, was asked a short time ago to state a firm price which he was prepared to accept for the property, and he stated £10,000 to £12,000. This occurred even before the Anglo-Iranian Company had definitely decided on a site in this State. So members can see how rapidly values can increase in those areas. The Bill was amended in another place to provide for the establishment of a committee to advise the Minister in regard to decisions that he might have to make in accordance with the powers given to him under the Bill. The committee will comprise the Surveyor General, the director of Industrial Development, a member of the Town Planning Board and a representative of the Chamber of Manufactures. This amendment was introduced at the request of a member of the Opposition.

There can be no better recommendation of this Bill than the fact that it has been favourably accepted in another place by both sides of the House. As I stated, the Bill is complementary to that important piece of legislation which has just been introduced by my colleague, the Minister for Transport. I submit the Bill to the House and hope it will receive the approbation of members. This is the first Bill I have introduced in this House as a Minister and I hope that members will give it whole-hearted support because I believe the measure warrants it. I move—

That the Bill be now read a second time.

On motion by Hon. J. A. Dimmitt, debate adjourned till a later stage of the sitting.

Sitting suspended from 12.30 to 2.15 p.m.

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

Second Reading.

Debate resumed from an earlier stage of the sitting.

HON. J. A. DIMMITT (Suburban) [2.15]: My reason for securing the adjournment of the debate was to give members an opportunity of studying the Bill in conjunction with the speech made by the Minister for Transport. I thought the suspension of 1½ hours or so might be profitably spent by most members in so doing. I am sure it must be pleasing to every resident in Western Australia that the Anglo-Iranian Oil Company is to establish its refinery on the western seaboard. We should give great credit, not only to the McLarty-Watts Government, but also, more particularly, to the Minister for Works, Hon. D. Brand, and the Co-ordinator of Works and Industrial Development, Mr. Russell Dumas.

To these gentlemen we owe a great deal because, from the Minister's statement, it seems obvious that when they went to the Eastern States to interview the executives of the Anglo-Iranian Oil Company they entered an atmosphere that probably was slightly prejudiced against them as the company had almost, apparently, decided on a site for its refinery at Laverton in Victoria. The Minister and Director of Public Works must have, therefore, put up a sound and convincing story to bring about the decision by the company to investigate the proposition that was so ably presented to its representatives. We should also give credit to the executives of the Anglo-Iranian Oil Company for their broadmindedness and for their general attitude in not binding themselves to a decision which was almost made without investigating the proposition submitted by this State's representatives.

I am sure the public generally will accept the establishment of this refinery as one of the greatest achievements in the history of Western Australia. It is true, as the Minister has said, that it will bring about a new era in the development of the State. When this becomes history, we will look back and give credit to those men who played so important a part in the establishment of this oil refinery. I am sure that those members for the West Province who expressed great doubt as to the advisability of the upriver harbour extension must be extremely gratified about the refinery being located at Kwinana, because it appears now that there will be no further need for their opposition to that scheme which, apparently, will be abandoned. It therefore must put Mr. Fraser and other West Province members in great heart because it was they who spoke adversely about the scheme for upriver harbour extension. I have much pleasure in supporting the Bill and I hope that it meets with the approbation of the whole of the House. I also trust that the time is not too far distant when we will see the establishment of the refinery come to fruition.

HON. E. H. GRAY (West) [2.20]: I support the second reading of the Bill and endorse the remarks made by Mr. Dimmitt. The Minister gave a clear explanation of the measure. As a member for the West Province, I feel extremely pleased about it because the people of Fremantle over the years, since before the first world war, when a Commonwealth Labour Government was in power, expected Cockburn Sound to be the site for a naval base and they were disappointed when that proposal was abandoned. Now that that area is to be the site for the Anglo-Iranian Oil Company's refinery, it will mean a lot to the people of Fremantle, to Western Australia and also to the Commonwealth. As the Minister has said, it will be difficult to envisage exactly what will happen because the development will be rapid.

The Bill is above party politics. It is our duty to endeavour to meet the difficulties and obstacles that will be encountered because the expenditure of such a large sum of money by the company and the Government must create difficulties in a comparatively young State such as Western Australia. I would like to see the Government make some announcement in regard to the appointment of a working advisory committee to embrace all aspects of government, of business people and of industrial organisations, both employers and employees, because it would be possible for a big undertaking like this to progress with labour and material shortages; it would be impossible for it to progress unless everybody worked together. Therefore, we want the industry and all other factors in the community to work side by side in an endeavour to

keep our economic balance, because there will be the possibility of great difficulty being encountered in the country. Accordingly, the Government has a big job. I am very pleased that Mr. Brand, with Mr. Dumas, took a prominent part in these negotiations which resulted in the agreement. I think Western Australia can be rightly proud of its professional and high executive officers in the Government.

Hon. J. A. Dimmitt: Hear, hear!

Hon. E. H. GRAY: They are above party politics and wrangles and, having had experience of Mr. Dumas's knowledge and capacity while I was Minister, it makes me very pleased to think that he took part, with his Minister, and succeeded in persuading this hard-headed company to come to Western Australia. The Anglo-Iranian company must be a tough business organisation and the case for Western Australia must have been put up very well or it would not have agreed to the establishment of the refinery here.

The Minister for Agriculture: The company is a very good judge.

Hon. E. H. GRAY: Therefore, recognising the great asset this will be to Western Australia, I feel that the Government would do well to appoint a working advisory committee of all sections of the community to keep our economic balance. This committee need not be very big; large enough only to go into the question of labour and material shortages, and ease the discomfort and loss caused in various parts of the State. This is my last day in Parliament and I am very glad to see a Bill like this being introduced; it will mean so much for Western Australia. I heartily commend the Premier, Mr. Brand, Mr. Dumas and all the officers concerned with the finalisation of this agreement. I am sure it will be a means of providing new output and bigger development for Western Australia. I support the second reading.

HON. H. HEARN (Metropolitan) [2.25]: In a very few words I wish to support the Bill. I am particularly delighted to know that at last Western Australia seems to be on the turn, growing into its own and moving to its ultimate destiny as an industrial State. I am sure that one of the factors that must have influenced the Anglo-Iranian company in choosing Western Australia for the site of its refinery is the fact that industrial relationships in this State are so good. As you know, Mr. President, we have a record that is unequalled in the Commonwealth, and I believe such a huge organisation, as this refinery will be, must of necessity look to that factor when ultimately making up its mind.

Hon. A. L. Loton: This is almost complete socialisation.

Hon. H. HEARN: At the moment there is some industrial trouble, due to a very small section of the community which un-

fortunately is in evidence not only in Western Australia but in the rest of the Commonwealth and indeed throughout the world. I have no doubt that sanity will prevail, even through the conditions we see at present.

The Government should be congratulated. With Mr. Gray, I believe this matter is far bigger than party politics, but it seems to me that credit should be given to the McLarty-Watts Government, and the oil company should receive our hearty congratulations and an assurance that the citizens of this State will do all they can to justify the selection of this site. The only way we can do that is by seeing that, as businessmen and as workers, we do everything we can to increase production, because only by increased production shall we escape the problems which Mr. Gray suggests should be the subject of a committee's investigation. I heartily support the Bill and trust that in the years to come Western Australia will be greatly blessed by the presence of this company, and I hope that the company will be fortunate in its activities here in contrast to what it might have been in other parts of the world. I support the Bill.

HON. L. A. LOGAN (Midland) [2.28]: Whilst congratulating the Government on the enterprise and initiative it has shown in its endeavour to secure the oil refinery for Western Australia and on the businesslike manner in which it has conducted the negotiations which culminated in the agreement being signed with the Anglo-Iranian Oil Co. for the establishment of an oil refinery at Kwinana, I deem it advisable at this stage at least to utter a word of warning not only to this Government but to its successors that, unless they preserve an equal balance with primary production, this State may be in trouble. I believe this warning has been sounded in other places, but it seems to me that repetition will not be out of place.

The establishment of this refinery will, I am sure, be the forerunner of a vast industrial expansion in Western Australia. We have every reason to believe that Broken Hill Pty. Ltd. will eventually establish an iron and steel works in Western Australia—provided, of course, the controversy raging at the moment does not drive the company away. I hope it does not. Each industry started will in its turn, bring others in its train, which may impose a strain on the State, so I consider that this is an opportune moment to utter this warning. If we turn our minds to what is happening in the Eastern States where, during the war, vast factories were set up for war purposes which, since peace was declared, have been turned to the manufacture of essential and non-essential goods for Australia, we will find that the industrial expansion has been so great that it has taken place at the expense of primary production.

Today we find that New South Wales, for instance, a State that a few years ago was a great exporter of wheat and other primary products, is today an importer of foodstuffs. Western Australia cannot afford to allow that to happen here. The best brains of the State should be availed of to acquaint the Government with all the facts and to direct attention to all the pitfalls that may confront it. In that connection I deem it advisable that the competent advice of the best producers in the State should be obtained to see that nothing of that sort is experienced here. Western Australia must at all cost avoid such a calamity. Australia depends upon the export of its primary production to the extent of about 85 per cent. of its monetary resources.

I am not certain on the point and am subject to correction, but I understand that when the oil refinery is established at Kwinana, crude oil will have to be imported from overseas for refining here. I take it that the money required for the importation of crude oil will have to be found from credits established overseas, and those credits will be made available as the result of the work of primary producers. If through good fortune—I hope it will happen in the not far distant future—oil were to be discovered in the Commonwealth and especially in Western Australia—we have every reason to believe it may be found at Exmouth Gulf—the position will be entirely changed.

In those circumstances, we would be refining our own product and exporting the oil overseas, which in turn would bring in fresh money, just as primary production does. I hope that has been one of the primary reasons why the Anglo-Iranian Oil Coy. ultimately decided to establish its refinery in Western Australia. If that is so, it rather suggests that the possibility of finding oil in the Kimberleys or at Exmouth Gulf is a little better than most people think. I have already in this House made a quotation from H. B. Morton's "In Search of England," and I repeat it now—

The towns should understand the problems of agriculture because as the life of a countryside declines and the city life flourishes, the character and physique of a nation deteriorate.

It is with the knowledge of the truth of that quotation that I have uttered these words of warning to the Government at this juncture. Today one often hears cheap jibes about the wealthy "wool barons" and the wealthy "spoon-fed cockies."

Hon. E. M. Davies: Has that anything to do with the Bill? How do you connect it up?

Hon. L. A. LOGAN: I am connecting my remarks up with the Bill. If members who make interjections such as that have

not the reasoning power to enable them to appreciate just what effect the establishment of the oil refinery at Kwinana could have on the economy of Australia as a whole, and on Western Australia in particular, it is time they looked at the facts. I have explained what has happened in New South Wales, and we do not desire that to be repeated here. It behoves every member of this House and of another place to make sure that the Government is acquainted with the necessity to ensure the advancement of primary production just as much as secondary industries. The State cannot live on secondary production. To do that will be impossible for decades to come. The solvency of Australia depends upon the solvency of the primary producers.

Hon. E. H. Gray: They are pretty solvent today.

Hon. L. A. LOGAN: They are not quite so solvent as the hon. member appears to suggest.

Hon. G. Fraser: They are to get the biggest share of the taxation cuts.

Hon. L. A. LOGAN: What they are to receive represents a small proportion only. I realise how easy it is to say that the answer to the problem is increased production. To give effect to that ideal is not so easy, and the best brains of the country will be needed to carry that objective to fruition. What we want is that the Government shall show the same initiative and enterprise in that direction as it has displayed regarding the establishment of the oil refinery. As soon as the issues were raised by the company, the Government promptly said it would supply roads, water, houses and so forth. It was no trouble at all! If that same attitude of mind could be applied to the consideration of the problems of the primary producers, those people would be sitting pretty today. In that respect the mantle of responsibility will fall on the shoulders of the Minister for Agriculture. It will be his duty to make sure that his colleagues in Cabinet are acquainted with all the facts and that he secures the necessary finance to put his schemes into operation.

It is not necessary to have a blue print or a five-year plan. All that is requisite is initiative and enterprise to make provision for what is required in the country districts. Above all, it is necessary for the manufacturers and the workers to supply the requisite implements and equipment to enable the man on the land to produce to the full. If that is done, I am perfectly satisfied that the man on the land will do his share to see that there is an equitable distribution as between primary production and secondary industry. It is a big task, but we must show that we are big enough to stand up to our responsibilities.

In conclusion, I sincerely trust that this venture will prove to be the success we all hope. It will depend upon the correct handling of the project whether the Kwinana undertaking will be a monument in the progress of Western Australia or will spell the beginning of its decline. I sincerely trust that it will be a success and that it will mark the beginning of a new era of prosperity in Western Australia.

HON. J. M. A. CUNNINGHAM (South-East) [2.40]: We are all fully aware of the benefits that must accrue to the State in time from the construction of the refinery at Kwinana. Many wild and wonderful dreams are being conjured up, some of them very woolly, such as petrol available at 6d. a gallon and so forth, but we can disregard those, though one of the things that will finally emerge may be the making of fuel available at a State-wide flat rate, thus providing cheaper power in the country districts for people who require to pump water, etc. I think we may reasonably expect some development along those lines.

Reference has also been made to the effect that operations at Kwinana are likely to have on the inland districts when the refinery begins to produce. I am sure that this effect is already being felt. We in Kalgoorlie are concerned at this very minute about the effect Kwinana is going to have on the Goldfields. This may appear to be somewhat like drawing the long bow, but it is a fact that within the last fortnight no fewer than ten old-established families have left Kalgoorlie.

We take no notice of those people who make their homes on the Goldfields for a few years in order to knock up a cheque and then leave, because they represent what I might describe as only a transient section of the population, but there has always been a substantial core that does not shift. They are people who went to the Goldfields in the early days and who, with their children, made their homes there with no intention of leaving. They are the people we are now beginning to lose.

These people are reasoning in this way. "We know what is going to happen and we want to get in on the ground floor." They are selling up their homes and coming to the metropolitan area and accepting any job meanwhile in order to be on the ground floor when operations start at Kwinana. No word of warning is heeded by them. This is a trickle of what can develop into a flood. They are the people we do not want to lose from the back country, simply because we cannot afford to lose them.

Early in the piece, the Minister for Works sounded a timely warning on the matter of purchasing land at Kwinana and pointed out that to do so would be very unwise. I believe that his warning has had the desired effect. The Minister could

very well sound another warning to those people who are rushing to the metropolis from the country areas in the belief that they are going to walk into good permanent jobs at Kwinana. Doubtless a large number of tradesmen and labourers will be required for the work of erecting the buildings. When that work has been completed, do those people think that the refinery will be able to absorb the services of several thousand tradesmen and labourers on a permanent basis?

What the company will need will be technicians. "But," it is argued, "it is intended to start schools and train them." The company is not likely to train men of 35 years of age or more, and will require only a limited number of technicians. So there will be a problem for the metropolitan area, not only in regard to housing, but in the matter of absorbing the people who are leaving the country areas, particularly Kalgoorlie. As I have said, this exodus has already started, and I think something should be done to stem it. I believe there is an office in St. George's Terrace where the names of all-comers are being recorded as possible future workers at the refinery.

Hon. A. L. Loton: Do you believe in a manpower directorate?

Hon. J. M. A. CUNNINGHAM: My remarks do not give the hon. member the right to suggest that I am advocating anything of the sort. I am suggesting that the Minister might sound a note of warning to workers in the country against their making a very unwise decision. It would be a good thing if he stated through the Press just what the circumstances will be in relation to men seeking employment at the refinery. I think the Minister is in a position to ascertain what the position will be. When people ask me about the prospect, I cannot tell them, but the Minister should find out whether it is wise for people to sell their houses and come to the metropolis in the hope of getting a home and settling here.

The establishment of this refinery is going to be a big thing for Western Australia, and I have no desire in any way to adopt the role of a pessimist. At the same time, I am concerned about what is happening on the Goldfields already, and that effect must also be felt in other parts of the State. Many members are aware that small towns that were thriving centres a few years ago are closing up and the people are leaving.

Hon. J. A. Dimmitt: You cannot blame Kwinana for that.

Hon. J. M. A. CUNNINGHAM: No, but the developments at Kwinana will make it still easier for such people to leave the country districts. There is a factor that makes it very easy for people to pull up their tents and move away. If they could not dispose of their homes, they would think twice before deciding to move, but

a firm in Kalgoorlie is doing an excellent business by purchasing reasonably well-erected homes at prices of £1,200 or £1,500 and transferring them to farming districts at a cost of about £500 for freight, etc. Farmers in those districts are thus enabled to obtain homes at a cost of £2,000 or £2,400 that normally would involve them in an expenditure of about £3,500.

Hon. L. Craig: What is wrong with that?

Hon. J. M. A. CUNNINGHAM: I am pointing out that this sort of thing is making it easy for people to leave the Goldfields, and it is a point that ought to be considered. For that reason I have deemed it my duty to bring it to the notice of the House. Though some members seem inclined to treat my statement with levity, I may have occasion at some future time to remind them that the fears I expressed were well-grounded.

HON. C. H. HENNING (South-West) [2.47]: I, too, should like to congratulate the Government upon its part in securing this industry for Western Australia. I appreciate that, in the first place, it was a matter of being able to offer the company suitable land, but that in itself was not sufficient and the work that the Government has promised to do doubtless clinched the matter.

I take this opportunity also to congratulate the company upon the statement it made about lessening the impact of the new industry on the State's economy generally, its reference to the importation of material and also, if necessary, the importation of labour. Naturally, such a gigantic enterprise as this must have a terrific impact upon the economy of the State and I take it that the Government commitments will have to be borne by the State as a whole. When the Minister replies I should like him to explain how the impact on supplies of certain materials will be borne; whether, say, piping, which is so essential in the country for water supplies—

Hon. J. A. Dimmitt: And which is being sent to the South-West today.

Hon. C. H. HENNING: I am dealing with the country as a whole. I was asking the Minister to explain whether those requirements will be borne proportionately by the metropolitan area and the country, or whether, seeing that the refinery is being established in the metropolitan area, it will bear the whole of the impact.

Then I come to the question of roads. The Main Roads Department is to undertake certain road-building, in a very large way, I take it. I am referring now to the requirements other than those within the limits of the refinery. Will the money for the construction of these roads be provided out of the proceeds of the Federal petrol tax and the grant from the Com-

monwealth? Will teams of men be brought from the country to assist in the road-building at Kwinana or will new teams be organised in the area? We are all complaining about the condition of many of our country roads. Excellent work is being done by the department on those roads, and I sincerely trust that that work will not suffer through a lack of men or material, or through a large portion of the money grant being applied to this work.

I also notice that the State has agreed to let houses for a certain period. In the metropolitan area and in the country, the State Electricity Commission rents a number of houses. I hope that in this case the Government will not follow the same policy of refusing payment of rates to the local authorities.

Reference was made by Mr. Gray to a committee. I am very surprised that he did not include primary producers, but I am sure it was a slip on his part and was not intentional. As I have said before, I congratulate the Government on what it has done and I congratulate the company. I am certain that the speed with which the refinery will be brought to completion will be a lesson as to how things can be done if they are left in the right hands. I have great pleasure in supporting the Bill.

HON. J. G. HISLOP (Metropolitan) [2.51]: Each one of us must agree that within the last few weeks, so far as Western Australia is concerned, history has been written in large letters and in terms that probably none of us can visualise. History has always shown that it is an ill wind that blows no good, and it was an ill Persian wind a short time ago which permits us now to see Mr. Drake sitting in this Chamber. It probably also had quite a lot to do with the decision of the company to come here. Again Nature has smiled upon Western Australia because, if I gather aright, there must have been certain requirements of this large company that were met before it decided on the site; and I should say that an area of flat land, with an adequate water supply and adequate electricity, and facing on an ocean clear front with water of a sufficient draught to accommodate large tankers—all these things were necessities in the site to be decided upon.

We have to realise, too, that we must be very glad that we still have men of courage at the head of our affairs; for there must have been a need for courage when, in making this agreement, the Minister for Works (Hon. David Brand) reached a decision to bind his Government to the building of 1,000 houses in three years, realising the existing state of affairs; because, I take it, that was one of the real essential features upon which

the company would have laid emphasis before agreeing to establish a refinery here.

I have read the agreement through very carefully and think it is very fair and just. I would like to congratulate the company on its very fair attitude towards Western Australia. One of the points that interests me considerably is the fact that the company has virtually undertaken to pay over a period of about 40 to 50 years half of the cost of the dredging of Success and Parmelia banks, because I take it that 4 per cent. will be interest and 2 per cent sinking fund, so that it has thus agreed to pay over that period of time half the cost of the dredging.

Then again, I do not think any of us realises what having an entrance of this sort to Cockburn Sound may mean to the future of Western Australia. It will make the whole of that area open to a much greater use than has ever before been possible, and will permit of other industries coming here in much greater numbers. It may also eventually point us to the way of keeping our river completely free of the harbour by having that harbour wholly situated in Cockburn Sound. It may be that those who are so worried about pollution will then see the Swan River return to its original beauty.

A good deal of stress has been laid by some speakers on the impact of this refinery on the economy of the country, particularly in relation to primary production. I was very glad to hear the Minister, when introducing the Bill in another place, state that this was clearly in the mind of the company, which had come to an agreement with the Government that it would not employ people in the refinery if by so doing it would wreck the primary production economy of this State. That statement was made quite clearly by the Minister and indicates that the company is well aware of the need for men behind the refinery to keep it in action.

I do not know whether members realise that in a recent survey of American industry it was found that for every 150 new workers in a factory 4,000 people were required to keep them employed. That 4,000 meant a spread of employment right back to primary production and possibly even further still. If Kwinana is going to employ 1,000 men, therefore, we can look for the need for 3,500 spread behind them in a triangle back to primary production in order to maintain the refinery at its proper level. If, in addition, we have all these other industries which are bound to crop up around it—because, as the Minister said when introducing the Bill, the refinery will have a number of by-products which will be of immense use to other industries and to the State in general—we can look for the possibility of 100,000 people being needed throughout the country to keep this new industrial area in action.

Personally, I am not very much in favour of a works committee being formed, but I believe the time has arrived when Parliament should take a much greater hand in the government of the country.

I trust we will see that Cabinets, which in the past have been prone to believe that their advice was the only sound advice, tend to look for help to members of Parliament generally who have been elected by the people to represent them. I believe there is an urgent need for standing committees to be appointed from both Houses in order that various aspects of this tremendous progress and industrialisation can be maintained and yet kept within their proper bounds. I believe that the people best fitted to see that that is done are members of Parliament who are elected by the people.

We must realise that wherever a refinery has been built, the city to which it has been attached has doubled its population within ten years. If we are going to contemplate that, in addition to what we have already outlined before us, there lies ahead of us a task of very great magnitude; and I think that just carrying on as we have done in the past, with a small band of men assuming the reins of office and presuming that their advice is such that Parliaments can take it or leave it, is not possible. That attitude must change to one in which we are all, as an elected body of people, given power and authority to advise the Government on the multitudinous problems that will arise in this State.

I trust that very serious consideration will be given to the formation of standing committees of both Houses in order that those problems can be adequately dealt with and the future of the State assured. I am certain that we are in for an era of prosperity and success, and we must give special thanks for that to the company which has chosen to come here and to two courageous people—Hon David Brand and Mr. Dumas—who had the vision to seek the establishment of this refinery in Western Australia. I have great pleasure in supporting the Bill.

Hon. G. FRASER: I move—

That the debate be adjourned until the next sitting of the House.
Motion put and negatived.

HON. A. R. JONES (Midland) [3.01]: I wish to say a few words in respect of the Bill, and I congratulate the Government on its awakening. We in Western Australia have for many years been called, and have stated openly, that we are the Cinderella State. The Government has now taken the initiative by enticing this oil company to come here and establish a refinery. By doing so it has achieved something of which I hope we shall all be proud in the near future. I trust, as Mr. Logan suggested, primary production will not be forgotten.

I hope the Minister for Agriculture will do his part—as I believe he will—by stressing the need for the Government's awakening to continue so that we shall have greater primary production. It may be that the £10,000,000 to be spent on this project is a measuring stick of what we can expect to be spent in the rural areas to build up our population and primary production so that, of the oil which is to be refined at Kwinana, a substantial amount will be used in Australia. I do not wish to labour the question, because I see very little virtue in so doing, but I congratulate the Government and hope that it will carry on so that in 20 years' time we will see that our primary and secondary types of production are well balanced.

HON. G. FRASER (West) [3.2]: I moved the adjournment of the debate because I wanted to make a thorough examination of the proposals that are before us. Whilst I can congratulate the Government on the main principle in the Bill, I cannot congratulate it on the method by which it has handled the Bill in Parliament. I do not propose to repeat what I said on Wednesday when I assumed that what is now taking place would occur, namely, that the Government would attempt to rush the Bill through here today. I might be slower than other members to grasp what is in an agreement, but I doubt whether any member in this Chamber knows thoroughly what is contained in these Bills, yet we are asked to vote on them. So far as the principle is concerned, I am in full accord, but there is not only the principle involved.

Hon. R. M. Forrest: What are you worrying about?

Hon. G. FRASER: I do not know what the hon. member worries about, but it appears to me that he is quite prepared to say yea or nay so long as someone of his political faith tells him, "Here you are; here it is."

Hon. H. Hearn: Are you not?

Hon. G. FRASER: No. Before I vote on anything I satisfy myself in connection with it. No one suggests how I shall vote. I said I could not congratulate the Government on the manner in which it had handled the Bill. The state of the House today shows what I am trying to point out, because I suppose approximately one-third of our members are not present.

Hon. J. A. Dimmitt: No.

Hon. G. FRASER: It is very close to that. One vote here resulted in a division in which the numbers were 10 and 9 which, together with yourself, Sir, makes a total of 20, which is two-thirds of the Chamber.

Hon. H. S. W. Parker: It was 11 to 10 I think.

Hon. G. FRASER: That was brought about because no indication was given by the Government of what it would like in connection with the measure.

Hon. L. Craig: What would you like?

Hon. G. FRASER: When the measure was introduced into another Chamber and the Government knew for how long it was being adjourned there, it should have had some idea that it expected to finish in the Assembly this week, and could have notified members of this House that it would like the Bill completed this week, and members could have made their arrangements accordingly.

Hon. R. M. Forrest: You have had the Bill for two days.

Hon. G. FRASER: Two days in which to understand something which is to involve the company in £40,000,000 and the taxpayers in £10,000,000.

Hon. H. S. W. Parker: You did not have the map.

Hon. E. M. Davies: And only half the Bill.

Hon. G. FRASER: Yes. My friend was given only the Bill dealing with the land, and not the other. He did not know that until today, yet we are asked to do business on those lines. This is not the only occasion when such things have occurred and when we have protested.

Hon. H. S. W. Parker: You wanted the Bill that was introduced by one of your members to go straight through.

Hon. G. FRASER: No, he did not even get to the second reading stage. He wanted to introduce the Bill and have it adjourned, the same as I want done with this. Because no information was given by the Government until Wednesday, quite a number of members who would be here, had they known the position earlier, have remained away.

Hon. H. Hearn: Most of them knew.

Hon. G. FRASER: They did not know until Wednesday. Members coming from country areas have to make bookings for transport and accommodation. A person cannot walk into a place and get accommodation or transport, immediately. I suggest that on future occasions when the Premier is discussing his intentions regarding the opening and closing of Parliament, particularly the closing in connection with sessions of this description, some consideration be given to this Chamber. Up to date we have not been taken into consideration. As far as we know there has only been a discussion between the Premier and the Leader of the Opposition in another Chamber. There may have been some reference to the Leader of this House, but to no one else. When future discussions are taking place, I suggest that representatives of the Council be included. If that is done, members will have an opportunity of knowing exactly what they are to face up to.

I know that a member's duty is mainly concerned with this Chamber, but I know, too, that members are human beings, and they make appointments and map out their lives according to what they expect they will have to do in this House. So I say more consideration should be given from that point of view. This does not make a great deal of difference to me except that I have had to cancel some appointments for this afternoon because it was not until Wednesday afternoon that it was decided to sit today. But men coming from the country are in a different position. I am hoping that in the future greater consideration and co-operation will be shown to members of this Chamber. I trust this is the last time I shall have to voice a protest in connection with the matter.

Hon. R. M. Forrest: What about getting on with the Bill?

Hon. G. FRASER: I will sit down and let the hon. member continue. If he does not want to listen to me he can go outside. I want to have my say, because that is why I am sent here by my electors, and particularly in this instance as the subject greatly concerns my province. The Bill is vital from that point of view, but before I get on to that phase of it I would like to know whether there is any possible way of getting over the difficulty of meeting a situation such as we have now discovered. We have before us a Bill that contains an agreement which has been arrived at by the Government with certain other people. Parliament has been called together but, to all intents and purposes, it was useless to call us together because we have simply to say either "Yea" or "Nay" to what the Bill contains. It would have been just as efficacious had some arrangement been made to ring each of us and obtain his agreement by telephone.

Hon. L. Craig: Would you desire to debate each clause?

Hon. G. FRASER: I would like the opportunity of debating anything that I did not consider was correct. It is an absolute farce if the Government can agree to something and then call Parliament together simply to approve or otherwise.

Hon. L. Craig: It is the Government's responsibility.

Hon. G. FRASER: It cannot act without the approval of Parliament, yet the hands of Parliament are tied in relation to the clauses of this agreement. It is just like throwing a bone to a dog and saying, "Take it or leave it," because we have no option, and that is entirely wrong where such considerable sums of money are concerned. Would the hon. member, in his private capacity, be prepared to accept conditions such as that?

Hon. L. Craig: If I were in the position of the Government, I would sign the agreement.

Hon. G. FRASER: Of course, but the hon. member would not like to be just a yes-man, and that is the position in which we are placed. If we say "No" to the agreement, it means shutting out from the State an industry that we badly need.

Hon. J. M. A. Cunningham: What is the alternative?

Hon. G. FRASER: I do not know, but perhaps when a Government negotiates with a company in a matter such as this, a tentative agreement could be arrived at and submitted to Parliament, which should then be given the opportunity of amending the various provisions. Following that, further discussions could take place between the company and the Government.

The Minister for Agriculture: We could never arrive at agreement under those conditions.

Hon. G. FRASER: In that case we might as well alter the Constitution and give the Government carte blanche to make any arrangements it likes with any company.

Hon. L. Craig: Your Government did the same thing in connection with Chamberlain Industries and Wundowie.

Hon. G. FRASER: Of course, but that does not make the principle right. We should not be called together simply to accept or throw away an agreement in the case of a £40,000,000 industry. If there is any possible way of getting over the difficulty, some effort should be made to find it. No matter what may be the views of members, the agreement cannot be altered. Should not we, as duly elected representatives of the people, have some say in what an agreement of this sort is to contain?

Hon. H. Hearn: Are you referring to the intimate details of the agreement?

Hon. G. FRASER: The agreement, as stated in the Bill.

Hon. H. Hearn: How could you make progress with a company under such conditions?

Hon. G. FRASER: Quite easily.

Hon. H. S. W. Parker: The hon. member does not understand much about companies.

Hon. R. M. Forrest: Are you against the agreement?

Hon. G. FRASER: Not in principle, but if I had time to study certain phases of it, I might wish to oppose them, and that is one reason why I sought the adjournment. In the words of the Leader of the House when introducing the Bill, this measure will cut across 12 other important statutes dealing with the metropolitan water supply, the State Electricity Commission, the Public Works Department, the Housing Commission, and so on. The 12 statutes mentioned are all affected by this Bill and I want time to study what those effects are likely to be.

The Minister for Transport: Those Acts will be affected only to a very small extent.

Hon. G. FRASER: The Minister may have satisfied himself on that, but I want to satisfy myself before voting on the question.

Hon. H. S. W. Parker: Cannot you trust the officers of the Crown Law Department?

Hon. G. FRASER: The hon. member should not ask me to trust anybody. He is one of the most suspicious gentlemen in the Chamber. A measure cutting across 12 other statutes requires time for consideration.

Hon. H. Hearn: I should think that Cabinet gave it due consideration.

Hon. G. FRASER: That may be so, but the hon. member does not always agree with the decisions of Cabinet.

Hon. H. Hearn: I do, in this case.

Hon. G. FRASER: The hon. member often objects to the decisions of Cabinet. He would not allow anyone to make a decision in his business—a decision by which he had to abide—without his having a say in it. Take the pushing aside of the Public Works Act—

The Minister for Transport: It is not being pushed aside.

Hon. G. FRASER: Does not portion of the Bill state that the provisions of the Public Works Act will not apply and that this Act shall take precedence?

The Minister for Transport: Only as regards certain of its provisions.

Hon. G. FRASER: I want to check up on which they are.

The Minister for Transport: It applies to the resumption of land, under the terms of this Bill, whereas that provision applied previously only to land for Government use.

Hon. G. FRASER: This is breaking entirely new ground, because the Public Works Act will be used for the purpose of taking over land for other than Government requirements.

The Minister for Transport: The Bill states specifically what the land is to be taken over for. It is very different from an open principle.

Hon. G. FRASER: It is a principle to which considerable thought should be given. Under the Bill, the Water Supply Department is to supply water at excess industrial rates. I want to see what favourable balance the company will get from that, as compared with the average individual. I want to know what I am voting about, and yet I am being asked to vote blindly today because I have not had an opportunity to study the various statutes affected and the manner in which

this measure will impinge upon them. It is the duty of every member here to view such a measure in that light but, unfortunately, many of them do not do so.

Portion of the agreement deals with the building of 1,000 houses; 333 homes a year for three years, and I want time to consider whether I should agree to such a proposition and how it will affect the present applicants for permits to build homes. That phase worries me, because even today the self-help builder cannot hope to complete his home in less than two years and I know of many builders who, through scarcity of materials, are taking anything from one to two years to complete homes for their clients.

The Government has approved also of the building of large blocks of flats in the metropolitan area and that, together with the building of these houses at Kwinana, must have a serious effect on the housing situation. I desire to know how all this will affect those who are building homes today, whether it will interfere with their chances of getting homes, or extending for another 12 months the length of time that their houses will take to build. I have a right to consider these things and so has every other member.

I would have thought that the Government, when considering an agreement with the company, would have dealt particularly with the housing aspect and endeavoured to make a better arrangement than that contained in the Bill. Under this agreement the whole onus is thrown on the State Government to provide 333 homes a year and the material for those homes must come from the limited material available in the State at the moment. I notice that on the question of cement the onus is thrown on the company to provide its own supplies from oversea. Surely the same arrangements could have been made with regard to houses, and the company could have brought its own materials into this State. Probably the State could provide the builders to erect the homes, but surely the company could provide the materials.

The Minister for Transport: It is only 4 per cent. of the total, you know.

Hon. G. FRASER: Yes, but I think that within 12 months the Minister will find that it will take a private individual a considerably longer time to build a house than it does at the moment. There is another feature to it and that has to do with the extra cost involved between the time of the signing of a contract and the completion of a home. There are increases in the basic wage and rises in the cost of materials. They must all be taken into account.

Hon. H. Hearn: They will all be coming down soon.

Hon. G. FRASER: And it will not be too soon for me. These questions are vital to the people of the State. When an individual has made financial arrangements it is not right that he should find that he has to pay another £150 to £200 to build a home merely because he has to wait another six months or so to complete it. I would have liked an opportunity to put those points to the representatives of the company before the agreement was signed. Surely to heaven a large company like this could have made arrangements to bring its own building materials into this country. If I had been able to do that I would at least have had the satisfaction of knowing that the company had considered that aspect. Its representatives may have done so; I do not know, because I am in the dark as to whether these phases were considered.

All I have heard is the bald statement of the Minister that one of the conditions of the agreement was that the Government should provide the necessary materials for the houses. I have enough faith in the principals of a big concern like this to know that if the State said, "This will make a great difference to the people in our State if we have to provide the materials for 333 houses a year," the company would have been able to make other arrangements so that the materials required for these houses could have been used for building homes for our own people.

Hon. A. R. Jones: They still might do that.

Hon. G. FRASER: They might, but the agreement does not ask them to do it; it places the onus on the State Government. I cannot understand why the company must be consulted with regard to the dredging. The agreement lays down that the dredging work must be performed by the State and that the State must collaborate with the company as to the terms and conditions of the dredging tenders and contracts. I do not know why that is necessary and I would like some explanation about it.

The Minister for Transport: The company does contribute.

Hon. G. FRASER: To a small extent originally and eventually the company will contribute towards the cost, but the position is that the State Government is responsible for doing the work.

The Minister for Transport: But you must provide a harbour for purposes other than the company's requirements.

Hon. G. FRASER: That is why I cannot understand the reason for providing that the Government must collaborate with the company before it accepts a tender or does anything in regard to the dredging work.

The Minister for Transport: Under the arrangement they contribute part of the cost and that was why those terms were made.

Hon. G. FRASER: The Bill states that the State must collaborate with the company as to the terms and conditions of the dredging tenders and contracts and provide therein for damages to be paid by the contractor in respect of failure to achieve any of the dredging requirements of the contract. It also states that the State shall not accept any tender or let any contract to any person save with the prior agreement of the company.

Hon. L. Craig: The company is involved in the expenditure and therefore it should have a say as to how the dredging should be done.

The Minister for Transport: They must have a substantial company doing the work and it must be bound by a penalty; both parties must be satisfied as to that.

Hon. G. FRASER: The agreement states that the whole responsibility is on the State Government, and yet it is not given a free rein to do its part of the job in the same way as the company is permitted to do so on its side. There is one other important feature—I cannot find any penalty clause in the agreement to cover any failure, on the part of the company, to carry out its allotted tasks.

Hon. L. Craig: What is the good of imposing penalties?

Hon. G. FRASER: If the Government expends a large sum of money and the company does not carry out its part of the obligation, what happens? Nothing! We are left to carry the baby.

The Minister for Transport: It could always be subject to parliamentary review in future sessions.

Hon. G. FRASER: If we carried out our part of the contract and the company did not, this State would have to bear the loss.

Hon. L. Craig: No. Under common law there is a penalty for the breaking of a contract.

Hon. G. FRASER: But is it not usual to provide a penalty clause in an agreement?

The Minister for Transport: There are substantial penalties.

Hon. L. Craig: Common law will cover it all.

Hon. G. FRASER: But why worry about common law when we have an agreement like this? It seems peculiar to me that no penalties are provided. I am not saying that the company or the Government will fall down on its job, but it is strange that no provision for penalties is made in the agreement. We have to realise that large sums of money are involved and it is possible that a considerable sum of State capital could be left lying idle for a lengthy period because of the inactivity of the company or its failure to carry out its part of the contract.

There are a number of other matters I could talk about but as it is not possible for us to take even a dot from an "i" or the cross from the top of a "t", otherwise it will push the whole agreement overboard, it seems silly for me to continue talking. I hope that in future I will not be placed in this position and that greater consideration will be given to members so that they can express their views regarding any measures that are submitted to this House. There is another case where prior action has been taken by a certain individual in regard to a proposed agreement and he has been told that he must wait until the agreement is brought to Parliament. Then when an agreement does come before Parliament we are told that we must accept it or reject it. That is the position and as I seem to be wasting words I will content myself by supporting the second reading of the Bill.

HON. J. McI. THOMSON (South) [3.29]: My remarks to the Bill will be very brief, but I desire to congratulate the Government on having negotiated successfully with the Anglo-Iranian Oil Company for the establishment of an oil refinery in this State. I think great credit is due to a number of people, including the Minister for Works (Hon. David Brand) and the Co-ordinator of Works and Industrial Development (Mr. Dumas). But I think we must also include the Minister for Industrial Development (Hon. A. Watts) who at all times has played a most important part in these negotiations.

There is one thing that causes me concern and that is the impact this project will have upon our existing undertakings. I fully realise the necessity for and the urgency of the legislation which has been brought before the House this afternoon, and I hope it will proceed without any undue delay. As one representing a province which has in progress harbour development, water supply, drainage and main road undertakings, which have been curtailed owing to the shortage of steel, I sincerely trust that this new industry will not seriously affect the areas concerned as a result of unforeseen circumstances such as we are facing today. I sincerely hope the Minister will be able to assure us that the people of Western Australia, although pleased at the establishment of this oil refinery in our State, will not be neglected in the outback areas and suffer undue hardship as a result. I have much pleasure in supporting the second reading.

HON. E. M. DAVIES (West) [3.32]: I would like to ally myself with previous speakers by saying that I have much pleasure in supporting the Bill. In fact, I think I would be echoing the sentiments of all citizens of the State in saying that Western Australia has been exceptionally fortunate as a result of the efforts of the

Minister for Works and his officers in inducing the Anglo-Iranian Oil Company to establish its refinery in this State. Nevertheless, I must express what is in my mind, and it seems that it is the policy of the Government to bring down matters of importance and of great magnitude such as this in the dying hours of the session and, in this particular case, on the last day of the session.

Hon. N. E. Baxter: How do you know it will be the last day?

Hon. E. M. DAVIES: I think that is the reason why it was selected. This Bill has been before another place for eight days and the members there have had ample opportunity of studying its contents and, of being able to cast an intelligent vote when the time arrived. As far as this House is concerned, members were handed a copy of the Bill only the previous evening and, unfortunately—it was not the fault of any particular person—I received only half a Bill containing that portion of it which was referred to by the Minister this afternoon. Therefore, I have not had an opportunity of perusing the whole of the Bill on which we are asked to vote this afternoon.

Whilst I admit that the establishment of this industry in Western Australia will undoubtedly be of great benefit to the State, I would like to say, as other members this afternoon have done, that, as far as my district is concerned, I have always advocated in the past that it is necessary to have secondary industries established here to maintain a balanced economy. We therefore have to be careful, despite our enthusiasm and desire to have established locally the Anglo-Iranian oil refinery, that we do not upset the economic stability of the State.

What I have in mind is that the Bill provides that certain commitments will be imposed upon the Government to make available sums of money which I agree we fully expect to meet in view of the magnitude of the industry that is to be established here. It is also necessary that the company shall spend a large sum of money. However, recently, the Commonwealth Government decided to restrict imports coming into this country, which will possibly result in a further shortage of materials. The fact that it is also proposed by the Government to build roads, provide water supplies and other amenities, raises a doubt in my mind as to whether it will be able to obtain the necessary materials for those undertakings. In addition to that, the provision of housing is most important and that is a problem which has exercised my mind for some time in view of the position in this State.

The Bill provides for the erection of 1,000 houses at Kwinana, spread over a period of three years, and I am wondering, in view of the statements that have been

recently made by the State Housing Commission, whether, when the present contracts are finalised, any further contracts will be entered into for Commonwealth-State rental homes. We now have the spectacle of the Government submitting a proposition to build 1,000 houses for this new company—of course, I fully realise that they are necessary—but if they are to be built and financed by the State, I do not see how it will achieve its object.

Whilst it is the policy of the Government now to accept applications for the building of workers' homes, it is not in a position to build them because of the lack of State finance. In view of the statement made in this morning's Press, there is no guarantee that the Commonwealth Government will be able to make the necessary loan funds available to enable the State to carry out any of the undertakings it has agreed to. I would therefore like the Minister to make some explanation as to where finance is to be obtained.

Although Clause 4 (d) of the schedule could not perhaps be regarded as most important, it reads as follows:—

(d) Cancel by notice published in the "Gazette" any existing reserve howsoever classified.

Am I to assume that Class "A" reserves, merely by publication of a notice in the "Government Gazette," are to cease to exist? If that is so, the clause is a most important one because there is an industry at the foot of Mt. Eliza, and if it desired to expand, all that is necessary is for a notice to be published in the "Government Gazette" in order that it may use King's Park for its purpose.

Then there is the question of local authorities. As this undertaking is to be established within the boundaries of my province, I have had some inquiries directed at me asking why the Government has not taken into consideration the advisability of consulting the local authorities that would be concerned in this proposition. As far as I understand, the Rockingham Road Board, in whose area this refinery will be erected, has not been consulted by the Government in any way. Further, a large undertaking such as this cannot be established without having some regard to the contiguous districts. By that I mean that the Fremantle Road Board is another authority interested in the development and affected by the establishment of the refinery. Incidental to that, the Fremantle City Council's areas are affected and, so far as I know, that council has had no intimation of what the Government proposes to do.

Following in that strain, I must mention the question of town planning. We all know that at present town planning is a matter to which this State is giving serious attention. Yet we find that a proposition such as the one we are discussing, which will alter the whole trend

of what we might intend to do with respect to town planning, has never been taken into consideration, at least in conjunction with the local authorities in whose districts the Government is trying to plan. No information whatsoever has been given to them by the Government.

It was comparatively recently that the Government decided upon upriver harbour extension, and that problem received consideration by Parliament for quite a long time. In view of the oil refinery proposition, the upriver proposal will go by the board, and harbour extensions will take place outside, which is what some of us have advocated. That very fact emphasises that not only the Rockingham and Fremantle Road Boards, but the Fremantle Municipal Council will have to take into consideration the matter of zoning under the provisions of the Town Planning and Development Act. The Government should at least have recognised that the position of those local authorities will be rather thrown out of balance, notwithstanding the fact that they are enthusiastic in welcoming the establishment of a new industry in their midst.

We are enthusiastic and overjoyed at the prospect of the advent of the oil refinery, but there will be other matters that must be taken into account in relation to the project. In view of that fact, I think a greater opportunity should have been afforded members to study the provisions of the Bill to enable them more fully to appreciate its effect upon the local authorities in the areas concerned. I understand it is proposed to survey roads that will be necessary through the various districts in order to give access to the refinery. In one instance, I am informed, a road has already been surveyed through an area utilised as a market garden.

I join with my colleagues in asserting that while we are enthusiastic about this proposition regarding the extension of the State's secondary industries, we must give attention to maintaining a proper balance between secondary industries and primary production. The oil refinery proposal will bring with it a large increase in the population of the State. That means it will be necessary to ensure that adequate food supplies are produced locally to cater for the extra people in our midst. We have ample knowledge of what has taken place since the cessation of hostilities. In that period our population has increased by over 100,000. We know the position regarding houses.

Everything has been thrown out of balance. Many people cannot obtain a house and there are instances of some living under conditions neither conducive to the best interests of family life nor in accordance with the provisions of the Health Act. Those conditions are allowed to continue only because there are no

ways of overcoming the difficulty at present. The oil proposition means that the Government will have to build another 1,000 houses. We have the fact that the Commonwealth Government has told the State that it does not propose to make sufficient loan funds available for the Government's proposals and the State in turn has decided to build homes under the State legislation although at the same time it will only take applications for them seeing that it does not know when it will be able to proceed with the erection of the homes, due to lack of knowledge of the financial accommodation that will be available from the Commonwealth.

The position regarding housing has largely been thrown out of balance because of the immigration policy under which the increase of population has been so rapid since the cessation of the recent war. If the oil refinery is established here, it will be staffed by migrants and other labour that may be available locally. That will all mean considerable activity in the district. Many houses will have to be built and also a construction camp. Those operations will necessitate the utilisation of a large quantity of material.

In view of the restrictive policy of the Federal Government respecting imports, and the fact that it is intended to use imported cement in connection with the erection of the refinery, how will it be possible to import much of the material required? I may be told that the restriction amounts merely to 80 per cent. and that some of the materials required in connection with the refinery may come under the heading of the remaining 20 per cent. Even assuming that to be correct, if only 20 per cent. of the imports is to be spread over the whole of Australia, not a great deal will be available for this State.

While we may be enthusiastic about the project, it is necessary to give serious consideration to what may happen with regard to other phases of industry and also the community life of the State. I trust the Minister will pay due attention to the points raised this afternoon and that, in the course of his reply, he will be able to inform members that the Government will be able to carry on without upsetting the economic balance of industrial and community life. In another respect, I do not know what is intended as I have not had an opportunity closely to study the clauses of the Bill.

There is a philanthropic organisation known as the Crippled Children's Seaside Home Society which holds an area in the district affected by the Government's proposals. In view of the provisions of the Industrial Development (Kwinana Area) Bill, under which a blanket is to be thrown over a large section of the district concerned, I would like the Minister to find out whether the land held by that

organisation will be affected. As regards the provision of transport, we would like to know what type is to be made available. We have been told that it is proposed to construct a railway there, but I do not know whether the existing line is to be continued or whether a railway will be constructed from some other part, such as Welshpool, to link up with the refinery. Then there is the question of the supply of water, roads and so on. We want to know where we are to get the necessary materials for the provision of those facilities.

We have been told with regard to power supplies that it is proposed to make available 50 cycles, three phase, to the refinery, presumably from the South Fremantle power house. But in view of what has transpired in the past, and the squeezing out of the Fremantle Municipal Tramway and Electric Lighting Board from the operation of this necessary electrical undertaking in Fremantle, one wonders how it is proposed to transfer 50 cycles to this particular area when Fremantle has been left on 40 cycles.

There are many aspects we want to know about; and, although I am very pleased, as a representative of the West Province, to know that this large undertaking will be established in Western Australia and will be of benefit not only to the Fremantle district but to the whole State, I would like to be acquainted with more of the facts and figures. Not having had an opportunity to peruse the schedule which, I venture to say, is the Bill, I am not acquainted with sufficient facts to be satisfied in my own mind that everything is going just as we would like it to.

I would add that I am very pleased the Government has had the opportunity to become associated with this important company and to assist in the establishment of this industry here; but I hope that whatever happens, the economic balance of this State will not be affected. I support the second reading.

HON. H. C. STRICKLAND (North) [3.51]: I cannot allow this opportunity to pass without offering my congratulations to the Government upon its foresight in encouraging the establishment of such a large and important enterprise in this State as an oil refinery. I agree that those responsible, especially the Minister for Industrial Development, have taken a long view, which is the right view for any Minister or any Government to take, and I hope that the refinery will be the forerunner of a large industrial settlement in that area.

I do not propose to speak at any great length on this Bill, but it contains one or two rather surprising clauses which prompt me to criticism. For instance, it is proposed to sell 75 acres of land fronting a bitumen road along the coast for £10 per acre.

The Minister for Transport: It is a sports ground for the people.

Hon. H. C. STRICKLAND: Still, it is surprising that a sports ground should be sold for freehold purposes to a private company at £10 an acre—

The Minister for Agriculture: When people in the rest of the State get sports grounds for nothing.

Hon. H. C. STRICKLAND: They are public and not private sports grounds. That is going to be followed up in another measure with a provision that any land resumed must be paid for at 1952 values. That is one point I wish to raise. Another concerns the very cheap rate at which water is to be supplied to the company; that is, cheap as compared with the rates which industry and residents are forced to pay for water upon which they have to live.

In the North, we pay as much as from 7s. to 12s. per 1,000 gallons for excess water, whereas it is to be supplied to this company at the excess rate applying in the metropolitan area. Another big dollar-earning industry at Carnarvon—the whaling station—is a Commonwealth concern. It is Government-owned and the price of water to it is 5s. 6d. per 1,000 gallons. The company which is to establish itself here has Governments as its main shareholders and yet it is to receive water at a cheap rate.

Hon. L. Craig: It is easier to produce.

Hon. H. C. STRICKLAND: It is not easier to produce here for this concern; it will be very expensive. To produce water for the whaling station at Carnarvon would not be very expensive. All that is required is a short pipeline and a 25 h.p. engine. I have raised these points because, in view of the facts, I hope we shall have a sympathetic hearing from the Minister for Works when we seek to place before him the disabilities confronting people living in the North, where there are very few wet days and water is used extensively, for which they are forced to pay very high prices. I am very pleased to know that the Government has reached a successful agreement with the company, and I hope it will mean a great future for the State.

HON. N. E. BAXTER (Central) [3.57]: Although I applaud the Government for its attempt to establish another secondary industry in this State, I, like some other country members, wish to sound a note of warning that we have to be very careful that we do not sacrifice the substance for the shadow.

Hon. J. A. Dimmitt: This is a pretty good substance.

Hon. N. E. BAXTER: It may be a fairly good substance, but the hon. member must not forget that the sub-

stance of this State is primary production and not secondary industries, and always will be for many years to come. We have not reached the stage where we can rely on secondary industries to carry the finances of this State.

Hon. H. Hearn: We pay most of the taxes, though.

Hon. N. E. BAXTER: Secondary industries may pay a proportion, but they do not pay most of the taxes throughout Australia and they do not finance Australia.

The Minister for Agriculture: They do not feed Australia.

Hon. N. E. BAXTER: Neither Australia nor any other country. Concerning the setup of this new enterprise, I would like to know what huge financial benefit it will actually be to Western Australia. I may appear fairly critical, but I am thinking of Western Australia and its future financial situation; and I would point out that even though oil is processed in this State, it does not mean that most of the profits will stay here. That has not proved to be the case in a number of other industries that have been established here.

Sitting suspended from 3.59 to 4.20 p.m.

Hon. N. E. BAXTER: Before the suspension I was dealing with the financial responsibilities of the State with regard to primary production and secondary industry and was about to compare the extent of agricultural as compared with industrial development in Western Australia. In the Estimates brought down earlier in the session the sum allotted to the Department of Agriculture for the furtherance of agriculture in this State for the financial year was £300,000, and the sum allotted for industrial development was £400,000. Added to that sum there will now probably be some millions spent on this refinery project.

I do not think anyone could estimate at present what it will eventually cost the Government, in view of the necessary harbour improvements, dredging, railways, housing, water supply and so on. At all events it will run into a very tidy sum, and all for industrial development. In view of that I trust that the Government can see its way clear, in the next year or so, to allot a much larger sum to the furtherance of primary production in this State.

There are some points on which I would like the Minister to give information when replying to the debate. To begin with, now that we are going to establish a secondary harbour adjacent to Fremantle, does the Government intend to proceed with the expenditure of approximately £1,000,000—as previously proposed—on Bunbury harbour? At the time when that proposal was made I believe the idea of the Government was that there would be

industrial development, in the form of a steel industry, in the vicinity of Bunbury.

As it is now proposed that the steel industry will be established adjacent to the oil refinery, it does not appear as though Bunbury will ever see a steel works, and in that case the little trade that goes through Bunbury will not warrant the spending of £1,000,000 on the harbour there in order to cater for the few ships that will be likely to call at that port. A further query has reference to the land proposed to be resumed for the distillation plant and that to be taken over for the residential area.

In the schedule to the Bill, at page 7, in Clause 4 (a) it is stated that the Government is to acquire 75 acres of land; and that the total price to be paid for it by the company shall not exceed £750, which equals £10 per acre. I know that blocks have been sold in that area by the Government in recent months and have realised £50 or £60 each. I am not objecting to the selling of what is actually common land to the company at an offset price, but further on, at page 9, in Clause 4 (j) it is proposed that the company shall pay up to £80 per acre for the land required for the refinery.

I am wondering who is the owner of the land that is going to be resumed for the refinery. It looks as though there could be a nigger in the wood-pile, and I would like the Minister to explain why there is such a discrepancy between the value of two lots of land adjacent to each other. The Bill does not say that the land for the refinery will not be sold at £10 per acre but states that the figure shall be "not exceeding £80 per acre."

The Minister for Transport: I explained that during my second reading speech.

Hon. N. E. BAXTER: The word "reasonable" is used too frequently in the measure and I refer particularly to its application to the houses that the Government is to build. In recent times there have been many arguments in this House about rentals, and surely the Government could come to a better agreement with the company than just to say that the houses shall be let "at reasonable rentals."

The Minister for Transport: You would not suggest that the rentals should be unreasonable?

Hon. N. E. BAXTER: No, but in a business contract one does not agree to lease anything at "a reasonable price." One states a specific figure. Surely the rentals could be fixed in the measure on the basis of a percentage of the capital value, or something of that sort. This word "reasonable" has seemed to find great favour in our legislation at various times in the past. It was included in the legislation dealing with railway refreshment rooms, where it is stated that the refreshment rooms shall remain open for "any reasonable time" before and after the departure of trains.

As members know, that has proved to be a travesty of law in this State. I do not know how the Government and the company will get on if they cannot arrive at what is a reasonable rental, and they may find themselves in a peculiar situation. I hope the Government has some ideas for putting the matter on a business footing. I do not object to the company getting the houses at a reasonable rental, but it should not be an unreasonably low rental. Mr. Fraser anticipates that the capital cost will increase, though the Minister seems to think that the cost of building will fall. I deplore the fact that these matters have not been handled in a better way so as to give us an idea of what we are being asked to vote on. I support the Bill.

THE MINISTER FOR TRANSPORT (Hon. C. H. Simpson—Midland—in reply) [4.28]: On the whole members have, without exception, expressed their satisfaction at the prospect of this refinery being established in Western Australia and I think they appreciate that the Government, in its approach to the company, has done a good job.

I will reply briefly to the points that have been raised by members. I think it can be said that the Government, in submitting a proposition to the company, felt that the long-range benefits to be derived from the establishment of the refinery in Western Australia were so great that it had to be prepared to put forward an attractive proposition and, if necessary—in certain details, at least—make some sacrifices which will be borne equally, as far as that is possible, by all sections of the community. I think that the people generally will heartily agree that the end in sight is well worth while.

A question was raised relating to the 75 acres of land that are to be sold to the company at £10 per acre. That is Crown land, and it was intimated to the company that it could have it for a recreation area to be set aside for residents of the district who would, almost without exception, be employees of this undertaking. Many of such areas are provided free, but in this instance it was intimated that the land would be sold at a total figure of £10 per acre, which was mutually agreed upon by the Government and the company. However, we know the company will be prepared to spend a lot of money on that area to provide amenities for its employees and others who may use it, along the same lines as it has done in other parts where it has established its undertakings.

Hon. H. C. Strickland: Could a hotel be described as an amenity?

The MINISTER FOR TRANSPORT: The land on which the refinery will be established is Commonwealth property and it will be bought by the State for sale to the company at a price not exceeding £80 per acre.

Hon. N. E. Baxter: Is it all Commonwealth land?

The MINISTER FOR TRANSPORT: Yes. We have an understanding with the Commonwealth Government that the price at which it will resell it to us will be less than £80 per acre and it is understood that it will be passed to the company at cost, but as the figure was not then known, there was a stipulation in the agreement that the price was not to exceed £80 an acre.

Hon. J. A. Dimmitt: Did the Commonwealth originally buy the land from the State?

The MINISTER FOR TRANSPORT: I am not sure of the original arrangement, but the land was taken up by the Commonwealth when it had in mind the establishment of a naval base at that point, and it has been Commonwealth property ever since. We are assured that not only will that land be made available but there is an understanding that the price will be less than that quoted in the agreement.

The question of housing has been raised. Members must remember that we were competing with other States which were attempting to attract the company's attention, and it said quite frankly that a certain number of houses must be provided; otherwise it would not be interested. It will provide its own construction camps at its own cost. These 333 houses per annum were included in the total number we estimated would be built in the coming year, namely, 7,000. Actually, on the figures obtained this year, that number will be exceeded, but 333 per annum is the number to which we are committed in the agreement with the company. After all, if the houses are built in that area they will assist in relieving the housing shortage for residents of the State. I know that the Minister for Housing is anxious to have a balanced programme as between the country and the city with regard to housing generally.

Hon. G. Fraser: Those houses will be used to accommodate new residents, not those already living here.

The MINISTER FOR TRANSPORT: Those built by the company will be new residences.

Hon. L. Craig: The hon. member said "new residents".

The MINISTER FOR TRANSPORT: In all probability they will be. But against that if, for instance, one of our big mines closes down—which is always a possibility—then the opportunity of placing those people in that area would receive consideration by the Government and the company. The construction of houses in that area would be the means by which we could transfer residents from the Goldfields rather than bring new residents into the country. The various

schemes which are in progress in the State, namely, water supplies, railway rehabilitation and the land settlement scheme we are determined will not suffer.

There has been some doubt about the money being made available, but if members have faith in Australia, as I have, I think they will agree that we must envisage this Commonwealth expanding, and the necessary money being made available for what we must have if we, as a State, are to expand. I have sufficient faith in Australia as a whole, and particularly in Western Australia, to feel that we can carry this load for the moment, bearing in mind the long-range benefits that we must derive from this industry.

In the course of his remarks, Mr. Fraser mentioned the special conditions laid down by the company. I think any company which is prepared to invest a large amount of capital brought in from outside the State is always welcome and where it requests concessions and consideration, the Government of the day is quite prepared to make some concessions to it. The company which financed the Wiluna goldmine to the extent of approximately £1,000,000 demanded that a railway be constructed from Meekatharra to Wiluna as one of the conditions under which that expenditure would be incurred. The company which started the Big Bell goldmine similarly demanded a railway from Cue to Big Bell.

I remember Mr. Willcock, the then Premier, saying he thought that, providing a railway to cost £50,000 as against the £500,000 the company was prepared to spend was a 10 to 1 bet, and that is the attitude that most Governments adopt in their desire to start industrial enterprises financed by outside capital. This is a sound proposition for any Government, no matter what its politics may be. I am pleased to say to all members, particularly Mr. Thomson, that the development we propose in the country will not suffer, and that we will, by some means or other, get the necessary materials and money to carry on that programme of development which we have in mind. Mr. Davies said that the Rockingham Road Board had not been consulted. I am not sure whether it was or not, but I think that if it had been and had been told, "If you agree to this proposition, you get this refinery in your district; but if you do not, then it will not be established here," I know what its answer would have been because if there is one place that will benefit by the establishment of the refinery undoubtedly, it is Rockingham.

I think I have covered most of the points and quite a number of them that were raised were covered in my second

reading speech. On the whole I am pleased at the reaction of members to this proposal. It is the same as the reaction which greeted the Bill in another place.

Question put and passed.

Bill read a second time.

In Committee, etc.

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

Bill read a third time and passed.

BILL—INDUSTRIAL DEVELOPMENT (KWINANA AREA).

Second Reading.

Order of the Day read for the resumption from an earlier stage of the sitting of the debate on the second reading.

Question put and passed.

Bill read a second time.

In Committee.

Hon. J. A. Dimmitt in the Chair; the Minister for Agriculture in charge of the Bill.

Clauses 1 and 2—agreed to.

Clause 3—Application of Act:

Hon. G. FRASER: I was so engrossed in studying the Bill that I did not notice the second reading going through. However, I can get over the point now. I would like to inquire of the Minister the area that comes under this clause. I know the powers given to the Minister are pretty drastic and that the prices are controlled as at the 1st January, 1952. Included in the map is a vast area which covers all the Spearwood district and portion of Hamilton Hill. Particularly would I like to refer to the Spearwood area which is well settled with market gardeners and fruitgrowers and I must ask the Minister what the position of these people will be. They are subject to the usual commitments of outgoings and incomings, and perhaps the Minister will explain what their position will be. I know that if the Minister desires he can say, "I want certain land." Once the Minister has said that, any person purchasing that land will do so knowing that he is limited to the price at the 1st January, 1952. There is another portion which says any mortgage raised can only be with the permission of the Minister.

I am not sure whether this condition is limited only to land required by the Minister or whether it refers to all the land inside the area under that blanket. It is vital that the large number of the electors in my district should be given a clear explanation as to how they stand. I am rather worried about that phase.

THE MINISTER FOR AGRICULTURE: This provision is only a cover until the 31st December next year. It is not indefinite. The blanket cover is only for

that period which will enable the company and the Government to determine what area will be required. It does look a little formidable, but that is what it amounts to. It will be some time before the plant will be established, and I do not anticipate that this will cover anything except the area necessary for the industry. People with cultivable areas will not be interfered with unless they are close to where the plant will be established.

Hon. L. Craig: They cannot sell their properties at any price.

THE MINISTER FOR AGRICULTURE: They can, except that the Government will step in and say that it will have to be at the price ruling on the 1st January. It will be a man's own responsibility if he pays a price in excess of that value. There is every safeguard for the people there; the title deeds will be marked and caveats will be lodged. I do not expect any trouble. We took in the whole area to avoid having two bites at the cherry. There will only be two or three areas that will be affected and I feel sure that, with the hon. member looking after their interests, the people will be well protected.

Hon. A. R. Jones: How long will the control operate?

THE MINISTER FOR AGRICULTURE: To the end of next year.

Hon. J. G. HISLOP: There are areas outside of those shown on the plan that are not going to be blanketed and yet will increase in value tremendously. Yet we are going to blanket a very large area that is either unsettled or is occupied for agricultural purposes. At the lower end the area will extend to halfway across the Rockingham townsite.

The Minister for Agriculture: No, within half a mile of the town.

Hon. J. G. HISLOP: Anyhow, the whole of the business area at Rockingham will increase in value. To be equitable, the area should have been extended beyond Rockingham.

Hon. H. Hearn: How about the other end?

Hon. J. G. HISLOP: That will be affected in the same way. The plan does not include the whole of the properties that will increase largely in value.

THE MINISTER FOR AGRICULTURE: I still think that Dr. Hislop does not appreciate that this applies to the land to be resumed by the Government. If a person buys a block of land and the Government desires to resume it, the price will be that ruling at January of this year. This provision will not operate beyond the 31st December of next year.

Hon. J. G. Hislop: Those people might take a mortgage on their properties?

THE MINISTER FOR AGRICULTURE: Yes. The Government might require some of the land for other industrial purposes and should not have to pay an inflated price for it.

Hon. J. G. Hislop: You do not anticipate wanting land five miles from the coast?

THE MINISTER FOR AGRICULTURE: No, but to afford protection, the area was included. The value of property at Fremantle, Rockingham and probably other places, will increase. Members should not get the idea that, because the area is being set aside for the moment to give the Government some protection, much of it is likely to be required for industrial purposes, but if we are going to establish industries there, that is no reason why we should have to pay 10, 20 or 100 times its value.

Hon. G. FRASER: I thank the Minister for his explanation. I do not disagree with what is proposed, but I must remark that the Liberal Government is outsocialising the socialists.

The Minister for Agriculture: Because its members have been mixing with you for so long.

Hon. G. FRASER: Will it be necessary for persons, in the blanketed area, if they desire to mortgage their land, to apply to the Minister up to the end of next year?

The Minister for Agriculture: Yes.

Hon. G. FRASER: Not only the land the Government says it requires, but all land in that area?

The Minister for Agriculture: Yes.

Clause put and passed.

Clauses 4 to 10, Schedule, Title—agreed to.

Bill reported without amendment and the report adopted.

Third Reading.

THE MINISTER FOR AGRICULTURE (Hon. Sir Chas. Latham—Central) [4.59]: I move—

That the Bill be now read a third time.

HON. L. A. LOGAN (Midland) [5.0]: I was on the telephone when the second reading was agreed to. I want to confine my remarks at this stage to making sure that the area now set aside for market gardeners will not in future be taken away from them and used for industrial purposes or housing projects. I mentioned earlier what had happened in the Eastern States. I do not want to refer again to that, except to say that if one looks around Sydney, one finds that the market gardens which originally supplied that city with produce have almost disappeared and the difficulties of providing Sydney with produce are becoming greater.

My only hope is that the Government has sufficient vision to ensure that this land is held for market garden purposes. Even if it is left vacant for 10 or 15 years, eventually it will have to be used for that purpose. Whether it comes under the Agricultural Department or the town planning authority, I hope those responsible will be awake to the position and will see that the land is retained for the purpose I have mentioned.

THE MINISTER FOR AGRICULTURE (Hon. Sir Charles Latham—Central—in reply) [5.2]: I cannot give the undertaking the hon. member wants, because I cannot anticipate for one moment what may be ahead of us. I should say, however, that there is no doubt that the swamp country in that locality would be most unlikely to be used for building purposes when there is higher country available. When I came here first, there were Chinese gardens close to Murrumbidgee. Would the hon. member suggest that they should have been left there for the growing of vegetables?

I do not anticipate that for the next 150 or 200 years we will be short of land for gardening purposes, because this country has been very favourably endowed with land suitable for irrigation, and we have the water supplies to enable us to make use of it. I think the hon. member will appreciate that the Government will use commonsense and that the persons who are going to erect buildings would not erect them on swampy ground. That would be the last place where they would be established.

Hon. L. A. Logan: A lot of houses were erected on swamp ground at "Mudvale."

THE MINISTER FOR AGRICULTURE: That was never a garden area

Hon. L. A. Logan: It was a swampy area.

THE MINISTER FOR AGRICULTURE: It appears to be suitable for industrial establishments and also for gardens, but I am not going to enter into an argument as to whether that is satisfactory or not. I will give an assurance that our officers have intelligence and the people concerned are not likely to establish premises in this area when there is so much high land available. There is Crown land belonging to the Commonwealth and to the State, and I presume that would be the first land to be used.

Question put and passed.

Bill read a third time and *passed*.

BILL—LAND ACT AMENDMENT.

Second Reading.

HON. H. C. STRICKLAND (North) [5.4] in moving the second reading said: This Bill contains a very simple but very important amendment to the Land Act regarding applications for small areas of

land in any of the land divisions outside the South-West division. In the South-West division only three months' notice is required to be given to the lessee of a pastoral lease if the Government intends to resume any portion of that lease and declare it open for selection. At the same time, the papers must be laid before both Houses of Parliament at least 30 days before resumption can take place.

I propose to bring the Eucla, Goldfields and Northern land divisions under the same provision as applies to the South-West. Under the Act, the Minister is required to give pastoral lessees 12 months' notice before land can be resumed and thrown open for selection. In the case of an individual applying for land, it is a separate proposition altogether. An individual must apply under Section 109B and he must first be in a position to pay for any improvements on the property.

They are valued by a referee and then the department proceeds to give the lessee 12 months' notice of its intention to withdraw that portion of land and declare it open for selection. It has been found that applicants who apply to take up small pockets of land for gardening purposes or tropical agriculture or for the raising of poultry and pigs have been unable to get any reasonable assurance or reply to their applications, although ten months have passed since they were first lodged with the Lands Department.

By accepting these amendments, this Chamber will simply place all pastoral leases in the State under the three months' notice provision. It will not affect their rights in any way whatever. It was found that prior to 1939 people applied for land, and for the best pockets of land, such as those with water supplies and even some with windmills, and were successful in taking away those essential water supplies from the lessees, which restricted their stock-carrying capacity.

In 1939, Sections 55 and 56 of the Land Act were inserted to protect a pastoralist from being deprived of any of his plant or essential watering-places. Should the pastoralist apply, he has the option of taking up the particular parcel of land for himself under conditional purchase conditions and doing with it exactly the same as the applicant wants to do. In the case of the Government intending to resume, the Governor has the power to delete that provision, but in the case of an individual there is no power whatever to delete it.

The position is that an application is made for five or six acres of land in a pastoral area and the lessee must have 12 months' notice to make up his mind whether he wants the land or not. He could wait for 12 months and then tell the department he wanted or did not want it, as the case might be. That has been found to be very unsatisfactory and does not tend to speed up land settlement in the North. Applicants are not going to wait

around for years, because even if at the end of 12 months the lessee says he does or does not want the land, the procedure of resumption, which is long and tedious, has still to be followed.

It would be safe to say that it would not be accomplished in less than another nine months at the earliest, while it would probably in fact take longer because the papers must be laid before Parliament. An application made at present, for instance, would be delayed because the papers could not be laid before the Houses of Parliament until after the Address-in-reply debate next session. The Minister said that the Bill could be dealt with next session; but if it were dealt with now, that would definitely save some of this land from being held out of production for a further nine months.

There are several potential agriculturists round some of the towns in the Kimberleys, and they are anxious to try, with their own finance, initiative and labour, to produce vegetables, poultry, pigs and so on, which would add considerably to the economy of our food front.

The first amendment deals with Subsection (3) of Section 109A, from which I propose to delete the words "if the land is situate in the South-West Division, or within a period of twelve months from the said date, if the land is situate in any other division." The effect of that would be that instead of 12 months' notice being required for the whole State, three months would be sufficient. The 12 months provision was placed in the statute in the horse-and-buggy days, but I believe that three months is now ample. The amendment would not affect the rights of any lessee except with regard to notice to resume.

Another amendment deals with Subsection (4), which it proposes to delete. This subsection states—

Where it is proposed to resume and withdraw any land from a pastoral lease which is situate in any division other than the South-West Division, a description of such land shall be laid before both Houses of Parliament at least thirty days before such resumption and withdrawal is effected.

That might have been all right before Sections 55 and 56 were inserted to protect pastoral lessees from having their watering places grabbed from them and the eyes picked out of their stations, but as the Act now stands they are fully protected, and if anyone attempted in that way to take any of their watering places, they could themselves take up the land under conditional purchase conditions, and the improvements would be quite sufficient to give them a freehold title. I hope the House will agree to the measure. I move—

That the Bill be now read a second time.

THE MINISTER FOR AGRICULTURE
(Hon. Sir Charles Latham—Central)
[5.15]: I know the hon. member is anxious to obtain a decision in this matter but, even with my knowledge of the Land Act, I would not like to express an opinion on the measure at present. I do not think members would be able to get a sufficient grasp of what is intended to deal with the Bill effectively today, and, as it is proposed to adjourn the House shortly, I regret that I cannot give the Bill the intelligent consideration that I would like to.

In the early days of the State, when there were pastoral leases in what are now known as the agricultural areas, the pastoral lessee was permitted to freehold 100 acres of land, and he always secured the land containing his water supplies. However, that statute was altered. While I was Minister, I did something along the lines suggested by the hon. member, but I understand it was altered later by a Labour Minister for Lands. Somebody went in and selected the land around the water supplies and some of the pastoralists, being deprived of water, lost the use of a great deal of land in that way.

I think the hon. member will appreciate that it would have been better to introduce the Bill next session so that members might have an opportunity fully to grasp its implications. None of us wants to make things harder for pastoralists than they now are, but if the hon. member insists on the Bill being dealt with today, I shall have to vote against the second reading as I am not sufficiently informed on the subject.

The MINISTER FOR TRANSPORT:
(Hon. C. H. Simpson—Midland): I move—

That the debate be adjourned till the next sitting of the House.

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

Ayes	.....	14
Noes	.....	7
Majority for	.....	7

Ayes.

Hon. L. Craig	Hon. Sir Chas. Latham
Hon. J. A. Dimmitt	Hon. J. Murray
Hon. R. M. Forrest	Hon. H. S. W. Parker
Hon. Sir Frank Gibson	Hon. C. H. Simpson
Hon. H. Hearn	Hon. J. McI. Thomson
Hon. C. H. Hennings	Hon. F. R. Welsh
Hon. J. G. Hislop	Hon. J. Cunningham

(Teller.)

Noes.

Hon. N. E. Baxter	Hon. L. A. Logan
Hon. E. M. Davies	Hon. H. C. Strickland
Hon. G. Fraser	Hon. E. H. Gray
Hon. A. R. Jones	

(Teller.)

Motion thus passed.

MOTION—DAIRYING INDUSTRY.***As to Development of Substandard Farms.***

Debate resumed from the 12th March on the following motion by Hon. C. H. Henning:—

That in view of the serious decline in production of the dairying industry in this State this House recommends to the Government that a scheme for the development of substandard dairy farms be formulated and proceeded with without delay.

THE MINISTER FOR AGRICULTURE

(Hon. Sir Charles Latham—Central) [5.22]: I commend the hon. member for bringing this matter before the House, especially as he has a full knowledge of what has happened in the South-West over quite a long period as a result of his acting in an honorary capacity on the regional council in that area and on which he performed extremely useful work. While he does not take credit unto himself for the work that was done, I desire now to pass that credit on to him. He said that although the committee on which he served put in quite a lot of time, there was very little accomplished.

In fact, a great deal has been accomplished because it was on that council's suggestion that the soil survey was made of the coastal areas in the South-West and it was found that many of them were suitable for dairying. We are now finalising that survey and I am hoping that there will be an additional number of farms established in the area as a result of the research carried out. Another step taken in the region was the establishment of a research station at Bramley out from Greenbushes, and another at Wokalup, just out of Harvey. Whilst there is still a great deal of work to be done by them, they must prove of benefit to the areas concerned.

Next year we are hoping that farms will be established in the area. The purchase of 2,200 acres of land down there was one of the best purchases the State ever made, and it is now intended to start a good Jersey herd on the property and to bring that scheme to fruition we have already purchased the necessary cattle from the Jersey Islands. There is also sufficient land there to experiment with the production of beef cattle, and for that purpose the Government anticipates establishing everything necessary to foster the beef industry in the areas in question and obtain the best type of cattle requisite for the purpose.

The Government is also desirous of ascertaining how those cattle progress by making tests regarding the weight they put on according to the pastures on which they feed. In addition, it is proposed, providing the farmers give the plan their support, to institute an insemination scheme

for the breeding of calves, and that no doubt will assist the industry to prosper. Artificial insemination has been successful in some parts, but in others the farmers are loth to accept that method of increasing their herd numbers. However, I am hoping that the farmers in the South-West areas will accept the scheme more readily than some have done in other parts of the State.

If the schemes at Harvey and Wokalup are successful, probably others will be initiated. A good deal has been done in those areas by cleaning up some of the farms to which the hon. member has referred. In fact, it is a dismal story. The figures the hon. member quoted were quite correct. There are about 1,400 dairy farms which have clearings of about 70 to 120 acres and on quite a number of them 40 cows are run. However, there are still many that are uneconomical because of the small area of land the farmers have cleared on their holdings. At the moment we have 15 tractors working in the area that are being used for knocking down dead timber and cleaning up the partly-cleared land.

Hon. C. H. Henning: What horsepower are those tractors—60 horsepower?

THE MINISTER FOR AGRICULTURE:

I think they constitute a mixed lot. They are not large ones because that type is still being used further south as the hon. member knows. However, the ones to which I am referring are serving a useful purpose by clearing up a lot more land which eventually will be used for cultivation as well as for the growing of additional pastures. It is hoped that we will be able to develop those areas into holdings of a 40-cow capacity and that will be a step in the right direction.

It has been said by some that we should not treat the dairy farmer any differently from anyone else. Unfortunately, these men have no chance whatsoever of building up their resources to enable them to carry out additional clearing. It is true that they are not fully occupied by milking 14 to 20 cows, but nevertheless they do not accumulate enough capital to carry out improvements. Therefore it is proposed to make some contribution to them for that purpose and immediately we finish clearing up those partly cleared farms it is proposed to bring in the large tractors and knock down some of the heavy green timber.

We intend to treat these people generously because it is proposed that for the first three years they shall have the money free of interest; from the fourth to the sixth year interest will be paid only on the principal advanced; and from the seventh year to the end of the term, interest on annual instalments will be paid. Thus of the money that will be used for this purpose, which is roughly

£500,000, the farmers will have to repay only a portion and the balance will be met by the State Government.

I do not want to advertise that fact too much or else we will be inundated by requests for similar assistance from people in other parts of the State. I think the hon. member will appreciate that without the assistance I have indicated, it would be very difficult for the settlers to carry out the improvements necessary to build up their properties. Of course, it may be possible that some of these people might be able to do their own work. So that there will be no misunderstanding, I must emphasise that to date the work done has been at the expense of the farmers themselves. They obtained a further advance from the Rural and Industries Bank to enable them to proceed with the clearing.

It is indeed a tragedy that in 1947-48 Western Australia exported a large quantity of butter, whereas this year we have had to import 55,000 boxes of butter to make up the deficiency in our requirements. In any event, we have not reached the position in which the more unfortunate people of New South Wales find themselves today. The people there are extremely short of butter supplies and we have read in the Press reports of how the quantity available has been rushed by the public. Of course, that shows the advantage of having a good Government in power, one that looks after the interests of the people generally. On the other hand, in New South Wales short supplies of butter have been the rule for years.

Hon. G. Fraser: I think you must have read that in "Comic Cuts".

THE MINISTER FOR AGRICULTURE: It certainly should have appeared there, because to me it is most amusing to think of the Governments that usually set themselves up as looking after the welfare of the people—in this instance we are looking after people who cannot safeguard their own interests—do not achieve very much and, as in New South Wales, the people have been in short supply for a long time. Mr. Henning told his story quite fully, and if I had merely stated that I endorsed all he had said, I would have dealt just as effectively with the subject as I could in the course of a long speech. I certainly commend him for having brought the matter before the House.

Not only will it afford him some satisfaction in the doing of it, but his action will hearten the people of the South-West by the knowledge that they have a member in this House who is willing and able to speak on their behalf. The department of which I am in control approves of his contentions and will endeavour to help wherever possible. The

trouble is that we are so short of young men, who are scientifically trained, to assist us in the work. Vast problems confront us in connection with agricultural development. Every now and again outbreaks of diseases are reported and also cattle problems that require attention. We have not sufficient officers to enable us to safeguard the position adequately.

As members know, veterinary surgeons are very scarce. Only the other day the department was advised that an entirely new type of disease had broken out in one part of the State but fortunately, I understand, the difficulty has been overcome. To effect what Mr. Henning has in mind will take a long time and I do not anticipate that within the next two or three years the State will be in a position to export butter. That is so more particularly in view of the two Bills we have agreed to at this sitting, the result of which must be a rapid increase in population. I endorse everything that Mr. Henning said in support of his motion, and I hope that in due course the Government will have an opportunity to provide the remedy.

HON. A. R. JONES (Midland) [5.34]: There is one point respecting which I would like to have some information. The Minister said that the Government will clear more land for the settlers referred to by Mr. Henning in his motion. I agree that that should be done. On the other hand, are we to believe that the position will be such that, all this having been done, the farmers, for whom the extra clearing has been carried out, will not be called upon to pay interest on the cost of the work for some years, yet those men will be permitted to sell their properties, if they desire to do so, and thereby make a profit at the expense of the Government? That position will require watching. I know that only a small proportion of the farmers that would contemplate doing anything like that.

The Minister for Agriculture: It might be of some advantage at times if that were done.

HON. C. H. HENNING (South-West—in reply) [5.35]: I appreciate what the Minister has said in the course of his remarks. However, I am inclined to think he was slightly nebulous in his references to the use of the large heavy tractors.

The Minister for Agriculture: We have not got them at all.

Hon. C. H. HENNING: What has been achieved by means of the small tractors has been to clear about 5,000 acres, leaving 50,000 acres yet to be dealt with. The work has been in operation for six months, so that it looks as if it will take a long time before we will be able to achieve very much. I hope the Agricultural Department will press on vigorously with the project, particularly if what we read in "The West Australian" this morning is

correct with regard to the possibility of a dollar loan being made available for rural production purposes. I shall quote an extract from the report in the newspaper because I regard the statements made therein as of vital importance. It contained the following:—

Australia's future help from the bank—

The reference there, of course, is to the International Bank—

—is likely to be conditional on Australia agreeing to take a larger part than she has in the last decade as one of the big food and raw material suppliers of the world.

Several factors are likely to impel the bank to make such a condition. One is that ability to meet the interest and to repay the loan will depend on a big increase in Australia's export income. This can be achieved only by expanding the export of primary products.

The bank, it is understood, takes the view that its advances should serve the purpose of simultaneously strengthening the economy of the country which receives them and of strengthening the world economy as a whole.

It is also reported that there are misgivings about a long term result of excessive industrialisation if promoted by further International Bank advances.

I take it from that report in the Press that if the Government puts forward a case—there is no doubt it could submit an extremely good case to the authorities—it should be able to obtain sufficient finance to enable it to purchase a number of heavy tractors that could be used to advantage, as I have indicated, by strengthening the economy of the Commonwealth and helping Australia to once more take its place in feeding the world.

In conclusion, I would like to inform members that yesterday morning I was provided with some figures covering a monthly period, and these I regard as definitely of the utmost importance. I assure the House that I am not unduly pessimistic in bringing the figures to the notice of members. They show that in February last compared with the position in February, 1951, in the Manjimup district there had been a further decrease of 50 per cent. in the production of butter fat, in Bridgetown a reduction of 66 per cent., and in Northcliffe a decrease of 33 per cent. I trust the House will agree to the motion.

Question put and passed; the motion agreed to.

ADJOURNMENT—SPECIAL.

THE MINISTER FOR TRANSPORT
(Hon. C. H. Simpson—Midland): I move—

That the House at its rising adjourn till a date to be fixed by the President.
Question put and passed.

House adjourned at 5.39 p.m.

Legislative Assembly

Friday 14th March, 1952.

CONTENTS.

	Page
Questions: North-West, as to watering points on pastoral holdings	2047
Licensing Act, as to hotel accommodation	2048
Airport, as to use by planes from Europe	2048
Education, (a) as to woodwork and domestic science classes	2048
(b) as to Hall's Creek school, occupation	2049
(c) as to school extensions, Tuart Hill	2049
Swan River pollution, as to waste discharged from brewery	2049
Housing, as to "emergent evictions"	2049
Hospitals, as to alterations to "Woodside"	2049
Fremantle Gas Co., as to charges and profits	2050
Railways, as to replacement of Fremantle bridge	2050
Mines Regulation Act, as to accident at Norseman	2050
Loan funds, as to commitments under Kwinana agreement	2050
Bills: Oil Refinery Industry (Anglo-Iranian Oil Company, Limited), returned	2052
Industrial Development (Kwinana Area), returned	2052
Motion: Broken Hill Pty. Co., Ltd., as to use of Koolan Island iron-ore	2051
Adjournment, special	2052

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

QUESTIONS.

NORTH-WEST.

As to Watering Points on Pastoral Holdings.

Hon. A. A. M. COVERLEY asked the Premier:

(1) What number of stations have received financial assistance for water conservation by bores or otherwise, and what was the total expenditure?

(2) On what stations has this development taken place?