

# Legislative Assembly

Thursday, the 4th May, 1972

The Hon. R. J. L. WILLIAMS: I just want to cross swords with Mr. Wordsworth on advertising. He believes that it is all nice. I listened to Mr. Cloughton's nice words on advertising when he told us about the glossy magazines advertising vaginal deodorant sprays. He said advertising is well controlled.

The Hon. R. Thompson: Have you been reading *The King's Cross Whisper*?

The Hon. R. J. L. WILLIAMS: I will not open it here, because ladies are present in the Chamber and I have some propriety. If the honourable member calls that well-controlled advertising, I do not, and the same type of advertising will occur in connection with contraceptives because they will be advertised in a filthy rag like this.

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

## Ayes—10

Hon. G. W. Berry	Hon. N. McNeill
Hon. A. F. Griffith	Hon. I. G. Medcalf
Hon. Clive Griffiths	Hon. S. T. J. Thompson
Hon. J. Heitman	Hon. R. J. L. Williams
Hon. G. C. MacKinnon	Hon. V. J. Ferry

(Teller)

## Noes—12

Hon. N. E. Baxter	Hon. R. T. Leeson
Hon. R. F. Cloughton	Hon. E. H. C. Stubbs
Hon. S. J. Dellar	Hon. W. F. Willesee
Hon. J. Dolan	Hon. W. R. Withers
Hon. Lyla Elliott	Hon. D. J. Wordsworth
Hon. J. L. Hunt	Hon. R. Thompson

(Teller)

## Pair

Aye	No
Hon. C. R. Abbey	Hon. D. K. Dans

Amendment thus negatived.

Clause put and passed.

Title—

The Hon. A. F. GRIFFITH: I just want to make a very brief comment. This has been an interesting debate and I have been quite fascinated by the freedom with which members voted on the Bill; and members know what I mean by that.

Title put and passed.

## Report

Bill reported, without amendment, and the report adopted.

## Third Reading

Bill read a third time, on motion by The Hon. R. F. Cloughton, and transmitted to the Assembly.

## WOOD DISTILLATION AND CHARCOAL IRON AND STEEL INDUSTRY ACT AMENDMENT BILL

### Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. W. F. Willesee (Leader of the House), read a first time.

House adjourned at 5.58 p.m.

The SPEAKER (Mr. Norton) took the Chair at 11.00 a.m., and read prayers.

## CRIMINAL CODE AMENDMENT BILL (No. 2)

### Introduction and First Reading

Bill introduced, on motion by Mr. T. D. Evans (Attorney-General), and read a first time.

### Second Reading

MR. T. D. EVANS (Kalgoorlie—Attorney General) [11.04 a.m.]: I move—

That the Bill be now read a second time.

This Bill has become necessary by reason of the deletion of the amendment to section 322, which section was regrettably omitted from the long title of the Bill recently dealt with by this House.

There does not appear any need to delay matters by a further explanation of the provision, except to inform members that it was one of the sections of the Criminal Code recommended by the Law Reform Committee for amendment.

The opportunity has been taken to include two other matters which have arisen since the previous Bill was drafted.

During 1969, an amendment was made to provide for an offence of obtaining or procuring the delivery of anything or obtaining credit by wilfully false promises. Prior to that amendment the offence of false pretences related only to matters past or present and did not extend to anything that might happen in the future. The incidence of goods and credit being obtained by means of false promises was becoming more prevalent at that time. Those members who are associated with trade and commerce will agree there has been no diminution of this type of offence.

The 1969 amendment repealed and re-enacted section 409 to follow section 427 of the Criminal Code, but in doing so the consequential change to section 426 of the Code in this State did not follow precisely the equivalent provision of section 443 of the Queensland Code.

I might mention, for the benefit of those members who do not know—and I am sure there would not be many—that the Queensland Criminal Code is recognised as being the parent of the Western Australian Criminal Code.

Attention has been directed to difficulties being experienced in effectively controlling the offence of obtaining goods or credit by means of wilful false promises.

It is proposed to repeal and redraft paragraph (f) of subsection (1) of section 426 to overcome the problems being encountered in dealing with these offences.

I now pass to the third and final amendment. The Minister for Police has drawn attention to the absence of any power to deal with a person who interferes with mechanism or parts of an aircraft. Section 61 of the Traffic Act deals with the offence of unlawfully interfering with the mechanism or parts of any motor vehicle, locomotive, or tractor engine, but this does not extend to aircraft.

It is not difficult to realise the consequences which would follow from interference with the mechanism or parts of an aircraft, not only to passengers but also to people or property which might be in the path of a falling aircraft. This possibility, while seeming to be remote in Australia, has occurred in other parts of the world. The offence is much more serious than in respect of vehicles confined to the ground and for this reason it is proposed that a new section be added to the Criminal Code with power to impose a maximum term of imprisonment for five years with hard labour. The Bill is submitted for consideration by members.

By way of explanation, whilst I desire the Bill to be passed during this part of the session, I would raise no objection if the Premier found it necessary to leave the measure on the notice paper until the August part.

Debate adjourned, on motion by Mr. Mensaros.

### **PASTORAL INDUSTRY: EASTERN GOLDFIELDS**

#### *Drought: Urgency Motion*

**THE SPEAKER** (Mr. Norton) [11.08 a.m.]: I have agreed to a written request from the member for Murchison-Eyre to permit a motion "That the House do now adjourn" under Standing Order 48—

... for the purpose of debating the serious plight of pastoralists in the drought-stricken areas of the Eastern Goldfields.

The letter, part of which I have just quoted, is signed, "P. J. Coyne—Member for Murchison-Eyre."

In accordance with normal procedure, it will be necessary for seven members to rise in their places to support the motion.

Seven members having risen in their places,

**MR. COYNE** (Murchison-Eyre) [11.09 a.m.]: I move—

That the House do now adjourn.

The purpose of this urgency motion is designed to focus attention on the calamitous situation that has developed during

the past four years in a significant area of the Murchison-Eyre electorate; namely, the north-eastern goldfields area.

The motion is introduced on a nonparty basis in the hope that the combined efforts of all three parties may be directed towards providing a solution to this drastic state of affairs and the serious consequences which are affecting the welfare of communities based in these pastoral areas, and the towns which they support.

The drought areas referred to encompass the shires of Coolgardie, Boulder, Menzies, Laverton, Leonora, Sandstone, and part of Wiluna; and embrace approximately 80 pastoral properties.

Although tremendous efforts have been made by the Pastoralists and Graziers Association and by several individual owners, they have not been able to draw enough attention to this very serious drought situation in the area mentioned. Even though television and Press coverage has been reasonably generous, there has been no appreciable recognition by, or impact on, the general public who seem to have been made much more aware of the drought situation in the western part of Queensland and the western part of New South Wales; whereas in fact the drought situation in Western Australia is equally grim.

It is recognised that the pastoral operations in these remote areas are prone to drought, and that the people who follow this way of life are aware of the risks they are taking—and they are taking risks.

Normally a drought does not make any serious inroads into a well managed pastoral property. The industry has learnt to cope with these drought situations by living close to the bone and by curbing all unnecessary expenditure during the difficult years. When the rains do come and the seasons improve they move into top gear with their maintenance and development programmes. This practice has been followed in this area for the past 75 years.

The pastoral industry has never before asked for any assistance. Up to this stage it has been able to cope with the drought situations. It is not possible for the pastoralists to work on a fixed budget under these conditions, and they must take the seasons into account. The vagaries of the seasons cause the pastoralists to work in conjunction with the seasons, and to take advantage of the position when seasons are good and to pause when the seasons are bad.

The prolonged drought which is being experienced at the present time—it is considered to be the worst drought in the last 73 years—combined with the drastically depressed wool prices have had a telling effect on the industry, with the result that financial support has been withdrawn by institutions which formerly were satisfying the financial needs of the industry.

Very few pastoral property owners can convince the financiers that they are viable in the present circumstances. In fact they have been viable for the past 75 years and, no doubt, they will continue to be viable if the present difficulties can be overcome.

The Rural Reconstruction Scheme does not offer a solution. It still seems that the department needs to be convinced that an operation is viable before it assists. Who could guarantee this? So, where do the pastoralists go from here? Are these industrious people to be abandoned? Are they to be forced to walk off their properties, and to leave an industry in which they have every faith?

It seems that, due to the tremendous upsurge in mineral exploration accompanied by the boom, the idea has been that no longer are we as dependent on wool as an export earner; therefore, the pastoral industry has been considered expendable, and no serious efforts have been made to sustain the industry. This illusion has since been dispelled. We have seen the nickel market being oversupplied, and we have seen cutbacks in our iron ore exports, etc.

To illustrate the position in the area I mentioned in respect of the downturn in the production of sheep, I would like to quote some figures which were taken out showing the decreased number of sheep. In 1968 the sheep population in that area was 616,000, the rainfall was 1,081 points, and the cut of wool per head was 11 lb.; in 1969 the sheep totalled 649,000, the rainfall was 329 points, and the cut per head was 11.1 lb.; in 1970 there were 501,000 sheep, the rainfall was 379 points, and the cut per head was 11.8 lb.; and in 1971 the sheep population was 248,000, the rainfall was 348 points, and the cut per head was 10.4 lb. It is estimated that at the present time the sheep numbers are well below 200,000.

From the figures I have given it will be seen that the cut of wool per head in the north-eastern goldfields is very high. It is the best cutting figure for the whole of Australia, with the exception of one small area in South Australia. That indicates that the wool production coming from this area is well worth preserving and keeping alive.

Submissions have been made in this regard previously, but the drought-breaking rains have not yet arrived. Some scattered thunderstorms went through the area but they did not break the drought. They were so scattered that their effect did not amount to much; and all they did was to alleviate some water carting problems on the pastoral properties. Heavy rains are still needed to break the drought.

Conditions since June, 1971, have steadily worsened and the sheep numbers in this area at present are estimated to be well below 200,000. In order to pro-

tect the environment and to give the natural vegetation a chance to regenerate, stocking rates should be kept at a low level for 12 months following drought-breaking rains.

It is not considered good practice to restock straight away as soon as the good rains come. The numbers have to be built up gradually, in the hope that the following season will be a good one to enable the country to be regenerated. By this means the stock numbers can be built up to the high levels of the good years.

Some of the side effects of the present drought have resulted in some pastoralists, whose properties are fortunate enough to be located close to mining operations, being able to take jobs with the mining companies and to place their station properties on a care and maintenance basis. That enabled them to return to their properties on the weekends to service the windmills and maintain the fences. However, in recent months this opportunity of employment in the mining companies has been depressed, and pastoralists have not been able to obtain these jobs; so, they have to move further afield to obtain employment, and this has had a very bad effect on their properties.

All the native and white employees of the pastoralists have had to be put off. In some cases the pastoralist and his wife are running the property, and occasionally they get some outside help to cope with the mustering. This means that the natives who were formerly employed on the stations now congregate in the towns, and they are causing problems. By being in the towns they have access to liquor, and their behaviour is having an adverse effect on all sections of the community. The situation was bad enough when many native employees were forced to leave the stations previously, due to the introduction of new wage conditions, but the problem has been compounded since the present drought, and many more difficulties have been created in the towns that are affected.

It is estimated that the loss of wool production from the goldfields last year was valued at \$1,600,000. It will be realised that the pastoral industry of the eastern goldfields makes a significant contribution to the economy of Western Australia, and as such it is well worth trying to save, particularly as in the past 80 years we have not encountered a drought of similar severity. What is required to assist this industry are long-term, low-interest loans.

This seems to be the only way in which we will be able to do anything for the industry. Pastoralists have been advised to go to the rural reconstruction people to submit their case, but the result has been negative, generally, because the pastoralists do not seem to be able to attract any support from this source. They cannot prove viability because they do not know what

the rainfall will be. It could be three inches this year and 10 inches next year so they cannot say whether they will be viable. However, they have been viable for the past 70-odd years, and this should give enough confidence in the industry for it to be supported.

As I stated earlier, seven shires are involved in this drought covering an area of 110,000 square miles, and this is by no means a small area. It comprises between 80 and 100 pastoral leases. Since February, when wool prices took a lift, pastoralists have become slightly more confident of the future, and having battled very hard to stay in existence over the last four years, they now feel that rain must be getting closer and with that rain will come increased production and profits.

Unfortunately, all the pastoralists now have an overdraft and are paying high interest rates for the privilege of maintaining and remaining on their leases. With the high interest rates and increasing production costs they will take a long time to get back on top, and when it does rain the leases will have to be well managed to safeguard all the perennial shrubs and bushes. The Department of Agriculture representatives have stated that the salt bush country should be spelled for two years.

As the pastoralists are ineligible to qualify for rural reconstruction, only one alternative is open to them; that is, to ask for loans. The emphasis here is on loans at low interest rates, and not hand-outs. They would prefer the same interest as that received from drought bonds. The drought bond system has been clamoured for since 1960, but when it was introduced in 1968, it was too late. It did not give enough opportunity to the pastoralists to build up sufficient reserves to cope with the situation.

It is hoped that the loans could be extended over a long period—something like 15 years. The pastoral industry appreciates the help which has been forthcoming in the relief of rates and rents, but is still desperately in need of cheaper money. A study of the information available from the Bureau of Census and Statistics will reveal that the eastern goldfields is one of the better pastoral areas, and it is felt that loans should be made available on the records and not on the present ability to service the loans under the existing shocking conditions. Before I get on to some statistics, I would like to say that it is widely felt that native welfare would be far better off if the money were made available to pastoralists to employ Aborigines rather than give the Aborigines unemployment benefits and social services thus encouraging them into towns. Eventually they will be led to Perth and this will entail millions of dollars being spent on housing and gaols.

Lastly, it is rather frightening to think what will happen if, through lack of reasonable-interest-rate finance, the country has to be closed down. This would be a disaster for that area and not many months will elapse before this occurs, if something is not done.

One of the objectives of this urgency motion is, firstly, to gain recognition of the situation, and, secondly, to have an opportunity to suggest that the Government establish a committee fairly urgently, preferably during this coming recess, in an effort to have the area investigated and allow some sort of action to be taken.

To give an example of the drought relief provided in other States, I will mention the figures concerning Queensland during 1970-71.

**THE SPEAKER:** The honourable member has another five minutes.

**Mr. COYNE:** During that year the Queensland Government provided \$650,000 for transport and \$790,000 for rates while the Commonwealth Government weighed in with \$3,900,000 for transport and \$3,400,000 for rates, making a total of \$7,300,000. The Commonwealth Government also provided free-of-interest carry-on and restocking loans to the tune of \$3,100,000, and State loans to graziers were made at the rate of 3 per cent.

In the six years ended 1970-71 the State of Queensland spent \$4,300,000 and the Commonwealth spent \$29,700,000. So it can be seen that the situation in the north-eastern goldfields, which we consider to be just as grim as the situation in Queensland, has not been recognised. Therefore, I would recommend that the Government undertake a study of the serious situation of the pastoralists and graziers in that area.

**MR. GRAYDEN** (South Perth) [11.27 a.m.]: I support the remarks of the member for Murchison-Eyre who, a few weeks ago, invited me and other members to accompany him on a tour of the Murchison area and the eastern goldfields. More recently—over the weekend to be exact—we were in the eastern goldfields, and I was shocked to see the position which obtains there as a consequence of the drought which has been affecting the area for the last four years. I am interested in farming and have a farming property in the wheatbelt. Therefore, I am conversant with the situation which has obtained in the last few years in the rural industry and with the fact that the industry generally has been in the depths of a recession.

Notwithstanding this, most farms in Western Australia have been able to diversify and those in the wheatbelt have been able to fall back on wheat, but this situation does not obtain in the eastern

goldfields where a calamitous drought has been persisting for four years. It has been the severest in the 75 to 80-year history of that area. At the same time a fall in wool prices has occurred and they have been at their lowest ebb since the middle of the depression. It is the combination of the two factors which has caused such a disastrous situation.

Periodically throughout Australia—in Queensland, New South Wales, and even Western Australia—droughts do occur. Certainly normally they are not as severe in this State as they are in the Eastern States, but usually the farmers must face only a drought. In this instance, however, they have had to face a drought while at the same time accept the lowest prices since the middle of the depression.

As the member for Murchison-Eyre just mentioned, only a few years ago—in 1968—616,000 sheep were carried in that area. By the middle of June last year the number was down to 248,000, while today the number is well below 200,000. In other words, less than a third of the sheep numbers carried in 1968 are at present being carried in that area. Quite apart from that aspect, the sheep which are there, even though they number less than 200,000, are relatively old sheep, because during the drought they have not been reproducing.

The member for Murchison-Eyre mentioned that last year, in this particular area alone, the value of the wool clip fell by \$1,600,000 so we can see the situation which the pastoralists are facing. Most of them are living on the stations on a care and maintenance basis. Most of the employees—the native stockmen who are skilled in stockwork—have been dismissed and they have congregated in towns such as Kalgoorlie, Wiluna, Laverton, and Leonora and have become a tremendous problem.

We have reached the situation where that part of our country will simply have to close down unless something is done by way of assistance. The area which is affected is relatively large—110,000 square miles. We know that the total area of Western Australia is approximately 1,000,000 square miles, or 640,000,000 acres, and the particular area about which we are speaking is in excess of 70,000,000 acres. That represents approximately one-ninth of the entire land mass of Western Australia, and is the extent of the area covered by the shires of Coolgardie, Boulder, Menzies, Leonora, Laverton, Wiluna, and Sandstone.

I have already mentioned the fact that the pastoralists are living alone on the properties, and the former employees are congregating in the towns and creating extraordinary and unsatisfactory situations in those towns.

As the member for Murchison-Eyre has said, pastoralists in this State are in exactly the same situation as agriculturalists as far as the need for rural reconstruction money is concerned. However, the pastoralists are not in the position of being able to obtain any money at all, because whilst they have equity in their properties they have no liquidity and no satisfactory collateral. The pastoralists cannot prove to the satisfaction of a bank, a stock firm, or the Rural Reconstruction Authority their ability to service debts. Before a pastoralist can obtain a loan he has to prove he can service the particular debt. That is not possible because the properties are held on a leasehold basis.

Pastoralists cannot state that in 12 months' time there will have been 12 inches of rain, and they will have X-number of sheep and will obtain X-amount of wool. Because they cannot do that they are receiving no aid at all.

Mr. Nalder: What has the Government done?

Mr. GRAYDEN: That is the whole purpose of the urgency motion: to draw the attention of the Government to the plight of the pastoralists in this area.

Mr. Graham: I thought this was a non-party-political issue a few moments ago, but that is not the case judging by the interjection from the Leader of the Country Party.

Mr. Nalder: The Minister for Agriculture claims that the Government is taking vigorous action.

Mr. Graham: The Prime Minister arrives in Perth today.

The SPEAKER: Order!

Mr. GRAYDEN: The situation is that the Commonwealth Government has made a sum of over \$100,000,000 available to the Eastern States for drought relief during the last five years.

Mr. Hartrey: Hear, hear!

Mr. GRAYDEN: I am not aware of any funds which have been made available to Western Australia. The pastoralists are not asking for handouts; that is not the situation at all. They are asking for long-term, low-interest loans—which, of course, will be repaid—to enable them to get over the present crisis. They want carry-on finance only, and sufficient money to restock.

Quite apart from the question of financial assistance to pastoralists, let us consider the environment. I have already stated that the area affected covers one-ninth of the total area of Western Australia. In some parts it is possible to drive for miles and miles without seeing any sign of vegetation at all. That is an incredible state of affairs. Only recently we had the experience of motorists driving

for hours during the middle of the day with their lights on because of the dust which has resulted from erosion.

The pastoralists are acutely conscious of the situation which prevails. They realise that even if they have heavy rains it will be at least 12 months before they can stock heavily again. This is of the utmost importance and every pastoralist realises that in the 12-month period following heavy rain stocking must be minimal. The area must carry the barest minimum of stock. In fact, many pastoralists advocate complete destocking.

Any person who knows the Murchison well will know that the affected area is particularly rich in perennial shrubs which have a high protein content. It is extremely important that those shrubs be allowed to regenerate. Unless pastoralists can receive long-term loans the country will not have an opportunity to regenerate.

The Government has been beating the big drum of "environment," and I applaud what this Government, and the previous Government, have done in respect of the protection of the environment. However, I cannot see any logic in the Government buying stations and setting aside fauna reserves, and declaring areas to be national parks and reserves, if at the same time we do nothing to ensure the regeneration of one-ninth of the area of Western Australia. I cannot see any point at all in talking about the protection of the environment unless we take action in respect of what is happening in the eastern goldfields today, because the situation is extremely serious.

We are not merely discussing the problem of the pastoralists, but also the environment in respect of 70,000,000 acres which have been devastated by drought. It is important that that area is regenerated before it is restocked. That is an added reason for aid to be given to the pastoralists.

I do not intend to discuss the amount of money which would be necessary, but it would be relatively low. Only 80 to 100 pastoralists are involved, notwithstanding the huge area. If 80 pastoralists received assistance to the value of \$20,000 each an amount of, say, \$1,600,000 would be involved. I repeat, they would be loan funds. They would not be handouts to the pastoralists.

We can visualise the immediate result of such aid. Many of the natives who are now living in the towns would be re-employed and go back to the stations. It is as simple as that.

I believe that we should set up a committee, immediately, to go to the eastern goldfields. The members of the committee would then be able to see the situation which exists, and they would be able to assess the loan needs of the pastoralists. I believe the total assistance would involve

the relatively low figure of \$1,500,000 or \$1,600,000. As I have said, the money should be made available as loan funds.

The situation in the Eastern States is that an amount in excess of \$100,000,000 has been made available by the Commonwealth for drought relief during the last five years. We have a drought in the eastern goldfields areas of this State which is comparable with anything which has occurred in the Eastern States, but no aid is forthcoming. This is a completely unsatisfactory state of affairs.

I do not believe it is beyond the ingenuity of the Government to solve this problem. I cannot believe that when one-ninth of Western Australia is devastated by drought aid should not be given to the pastoralists who, for 75 or 80 years, have administered their properties in one of the finest pastoral areas in Australia. I know of only one area which is better, and that is in a particular part of South Australia.

Year after year the average clip in the eastern goldfields area is 11 lb. of wool. I would say that at least half the farmers in Western Australia would be extremely pleased if their annual clip averaged 10 lb. of wool, which it certainly would not. With farm after farm in Western Australia the wool clip would not exceed 8 lb. or 9 lb., but throughout the entire eastern goldfields the clip is 11 lb. a year.

This indicates the type of country in the eastern goldfields, an area which has been relatively free from drought over the years. Certainly on occasions the rainfall has been relatively light but nothing of this kind has been experienced in 80 years.

The eastern goldfields is a first-class pastoral area and pastoralists have proven, year after year, that their properties are not only viable but extremely productive. The pastoralists have clamoured for drought bonds but unfortunately these were not introduced until relatively recently. In the good years, they ploughed their money back into their properties—into fencing, mills, and station machinery.

The SPEAKER: The honourable member has five more minutes.

Mr. GRAYDEN: This fact alone is enabling them to carry on at the moment. Notwithstanding the large sums of money they have spent they are still required, of course, to maintain their fences and everything else on the properties. We are only asking the Government that they be given the opportunity to do this. It is absolutely impossible for pastoralists to go to banks, stock firms, or the Rural Reconstruction Authority. The Minister for Agriculture recently wrote a letter to the Pastoralists and Graziers Association in which he made it quite clear that unless pastoralists can establish security and prove their ability to service debts they would have no chance of assistance from

that quarter. Consequently there is absolutely no way in which these people can continue unless they can obtain long-term, low-interest loans. It is as simple as that.

To summarise, a first-class pastoral area in Western Australia is in a parlous situation. All the employees in the area have congregated in the towns. Further, urgent action is necessary to protect the environment. The pastoralists are completely unable to tap any other source of carry-on finance, but in the Eastern States it seems pastoralists have only to go to the Commonwealth and they are handed whatever they ask for.

When a situation is as grave as this, I cannot believe the problem is beyond the ingenuity of the Government to solve. I would hope the Government would explore every possible angle to try to find some means of making the limited sum to which we have referred available on a long-term, low-interest basis.

If this is beyond the ingenuity of the Government—which I cannot believe—I implore the Government to form an all-party committee so that we may make representations to the Commonwealth Government with a view to obtaining Commonwealth assistance for this area.

I think my time has nearly expired and there is no use prolonging the debate. I endorse the remarks of the member for Murchison-Eyre and I hope the Government will really give the matter the consideration it deserves. It is absolutely imperative the Government should do this in the interests of the pastoral industry, the natives in the area, and the conservation of our environment.

**MR. HARTREY (Boulder-Dundas)** [11.45 a.m.]: I am only too happy to support the motion so ably proposed by the member for Murchison-Eyre and supported by the member for South Perth who gave us a most eloquent address in his own special fashion. I cannot allow the member for South Perth to be the only member to support the motion considering I represent a substantial part of the goldfields which are directly concerned with this grave problem and I have long been familiar with the drastic nature of it.

In February, 1970, on a well-managed station, Sturt Meadows in the Leonora district, I saw sheep fall down, be picked up, and fall again before reaching water by reason of the drought conditions that then prevailed, and have prevailed consistently, and persistently ever since. The very bush was dying then and now it is in a deplorable condition. It has been said by those who know more about the pastoral industry than I do—and I include the two previous speakers in that category—that even when rain falls—and the day will come when it will not only fall but flood—it will be necessary for 12 months to

elapse before the bush can regenerate and the valuable protein elements in the undergrowth and vegetation be restored to full effect. I have no doubt that this statement is true, and that it will happen one day is beyond doubt.

We must not close our eyes to the fact that the pastoral industry is a vital one in the goldfields and outer goldfields areas, which are very big, as the member for South Perth so eloquently told us.

I can well remember—as I am sure some of the gentlemen who are now sitting in the Speaker's Gallery can also remember—that in 1963 Kalgoorlie was declared to have put on the best display of wool products in Australia. To commemorate the event a small bronze replica of a sheep was set up on a pedestal outside the post office and it stands there today with a plaque to mark the occasion. Perhaps nowadays some wonder whether it was the golden calf of scriptural times. However it was set up at the time to show that the pastoral industry was not only flourishing but regarded as the future industry of the goldfields when gold died out. Unfortunately the pastoral industry has started to die faster than the gold.

This is only a temporary reverse provided assistance is rendered in time to save this vital Australian industry. We know more about the tragedies that befall Townsville and the fruit-growing areas of Victoria than the tragedy—of equal national consequence—which is befalling the goldfields and outer goldfields areas of this State.

I am indebted to the honourable member who brought this matter before the House. I am happy indeed to support it. From every point of view, as has been so ably demonstrated by the member for South Perth, this is a national industry which must be saved. I will quote words spoken 200 years ago and, at the same time, I apologise for one of the nouns in the quotation because, unfortunately, it has become a term of reproach—deplorable in a country such as Australia. The words of Goldsmith are—

Princes or kings may flourish or may fade,

A breath can make them, as a breath is made.

But a bold peasantry, their country's pride,

When once destroyed can never be supplied.

Our friends in this House would not like being called "peasantry," because this has become a term of reproach. It is almost the equivalent of the term "peon" but it should not be. God help us when this country ceases to be a primary producing one and is dependent on foreign countries for its food supplies.

**Mr. H. D. Evans:** The word was "yeomanry."

Mr. HARTREY: At all events, whether the word is "yeomanry" or "peasantry," it is completely essential that we do not allow an industry of this nature to perish from the earth. At the present time it has perished from the earth, and even the earth itself has perished, when it is necessary to put on lights to travel by day on a road because of the erosion of the soil.

I cannot ask the Government or anybody else to stop the drought or the erosion. The limits on governmental powers restrict a Government to the administration of the laws as they stand and to the distribution of revenue in as liberal a manner as it can manage from the State's coffers.

I am happy to say this is not a political issue of any kind. It is just a question of what is the wisest thing to do. I feel confident that the Premier and Treasurer, who has the interests of the whole State at heart and has repeatedly demonstrated it, and the Minister for Development and Decentralisation will take heed of this appeal and have consultations in an endeavour to arrive at a solution.

The solution advocated by the member for South Perth appears to be the best one. The pastoralists are not begging. They do not want to be put on the dole. They do not want anyone to buy their stations and turn them into ornamental parks, or anything of that kind. They want low-interest rates because they cannot point to any immediate security which would enable them to obtain finance from the so-called "free enterprise" banks. I wonder whether members have ever read one of the mortgages or bills of sale of a "free enterprise" bank? I have.

Mr. R. L. Young: Have you read one of the R. & I. Bank's, as well?

Mr. HARTREY: Don't worry! Is the honourable member sticking up for them?

Mr. R. L. Young: No.

Mr. HARTREY: It is suitable that the honourable member should express the opinions he entertains, but they are not mine, thank God, and never will be.

I do not want to say anything further. The House has already heard two very eloquent and informed speeches. I will, however, speak on one point before I conclude; that is, native labour. The problems we have had with natives in Kalgoorlie—and it is no good blinking the eye to them—have arisen largely because the pastoralists have not been able to continue to employ many of the industrious but not particularly intelligent native people. The natives are accustomed to animals and to living in the bush. They are ideal for the pastoral industry.

Yesterday afternoon I was in the Criminal Court in Kalgoorlie and for about a quarter of an hour I listened to a very

eloquent address to Judge Virtue by Mr. Cannon, an able Perth barrister, in defence of a native who had more or less accidentally killed another native. The two natives had had a quarrel and, according to their tribal laws, once one of them uses the sacred word "iremi"—which means something to do with their blood—the man who has used it has a right to throw a spear into the leg of the other man, who has a right to retaliate by doing the same thing. The native who used the sacred word died as a result, and the man who threw the second spear was on a charge of murder, which was reduced to manslaughter and he got six months' gaol.

In the dock was a very strong and burly man who was described as a very good stockman, but he had had no work for two years and had degenerated in Kalgoorlie, Leonora, and little outposts of "civilisation," by getting drunk. Drunkenness was the cause of this particular brawl, and indeed it causes a great deal of harm to the native people. They can be better rehabilitated by working on stations than by being kept on the dole, as they are now, on so-called "native reserves." To quote again from Goldsmith—

Even the bare, worn common is denied. Members should see the "bare, worn common" on which the natives live!

If members want to do something for the natives, the course I have suggested is a good one. If members want to do something for the goldfields area from Wiluna to Norseman, this is an excellent thing to do. If members do not want to do anything to save an Australian industry, they are not the sort of people I thought they were. Collectively, every party and every member in the House is anxious to do the best possible thing for the State and the country. This industry has a vital stake in this country and I am sure we on both sides of the House will do everything possible to alleviate the situation in which it is placed.

Apples will grow again. Rain will fall again. The area will be revived and in 10 years' time we will look at it and say, "How it is flourishing, and how good it is for the goldfields to have this industry at its back door!" We had it previously and we will have it again, but now is the time to come to its rescue!

MR. GAYFER (Avon) [11.55 a.m.]: I shall be very brief in my remarks but I must support the motion moved by the member for Murchison-Eyre, which was supported so ably by the member for South Perth and the member for Boulder-Dundas. I am extremely interested in this urgency motion, mainly because I feel it is a genuine attempt to achieve a completely unanimous decision by people in all walks of life in Western Australia to



have this matter investigated. This is possible only through the representatives in this House of all those walks of life unanimously agreeing to put this matter to a committee or take it direct to the Federal authorities.

I am not familiar with the circumstances that prevail at present in the area referred to. I am, however, well aware of the situation that prevailed at Jerramungup and on the south coast, and the situation that exists at present in a certain section of my electorate where water carting has entered its third year.

The devastation to which reference has been made is well known to those of us who are familiar with farming and agricultural pursuits—the wind that always seems to follow a drought, the loss of plant life and top soil, the stand-down of working people in the crisis area, and the situation facing people on properties who are trying to pursue their livelihood. Anyone who has lived through those conditions and knows the situation that exists will grieve with those people and support their request.

I support the urgent setting-up of a committee—and I mean urgent. It is no good waiting. Rains tomorrow will not heal the situation. The first requirement is that an all-party committee, including some experts on financial and other matters, should go out immediately and have a look at the situation. We sympathise with Treasurers, with their problems of finance, but if the finance is not available in this State, an all-party committee would have the weight to make immediate representations to the Federal authorities, as did Queensland and other States. I wholeheartedly support the proposition put forward by the three previous speakers.

**MR. MCPHARLIN** (Mt. Marshall) [11.59 a.m.]: I rise and very willingly give my strongest support to the motion submitted to the House by the member for Murchison-Eyre, which was ably supported by the previous speakers. The area referred to by the member for South Perth carries a tremendous sheep population.

It has been reported that sheep have produced up to 16 lb. of wool per head in parts of the area referred to. It is of serious concern to all of us that these areas are now reduced to desolate dust bowls.

This motion was moved by the member for Murchison-Eyre and his electorate joins the northern section of my electorate of Mt. Marshall, through the Paynes Find area. I feel obliged, as the representative of these pastoral areas, to add my comments and contribution to the debate.

Reference was made to a comparison between the money allocated to the drought areas of Western Australia and the

drought areas of other States. Drought has affected the industry in other States and the Federal Government has seen fit to assist by allocating a number of millions of dollars. This applies particularly to areas of Queensland which have been devastated by drought over the last few years.

As mentioned by the member for Boulder-Dundas, frequently the drought is followed by deluges and this has happened in Queensland—floods have followed the drought. Floods do not solve the problem, although the rains are always welcome.

These people are in difficulty through no fault of their own. Drought is an act of nature—it is not man-made, and it cannot be avoided. However, assistance can be given and in my view it is imperative that we give serious consideration to the appointment of a committee as suggested by the mover of the motion. This suggestion has been endorsed by the other speakers to the motion.

We should give urgent and immediate consideration to the appointment of a committee associated with the industry to consider the difficulties facing the industry at the present time.

The member for Avon made the point that those of us who have been practical participants in primary industry, members who own properties, will understand the problems associated with this type of situation more so than people not so directly involved in managing or owning properties.

Speaking in support of the motion, I feel that members who are directly engaged in primary industry can speak with experience and some feeling and knowledge of the difficulties which arise with drought situations. We will have droughts again; there will be good rains but droughts will occur again, as the member for Boulder-Dundas said.

If this committee is appointed to make recommendations after an investigation of the industry, the recommendations should not be for temporary measures but should point to a long-term policy to meet the situation in the years ahead. There is no control over nature by any particular Government or person.

It is pleasing to think that this debate is not political, but, of course, it could easily develop into political cross-fire if each of us did not restrain some natural inhibitions. I speak in that vein without intending in any way to criticise the Government in office or the previous Government. However, I would urge that notice be taken of this debate and some action be implemented to appoint a committee to see whether some immediate assistance can be granted to an industry which is going through a difficult period at the present time.

**MR. H. D. EVANS** (Warren—Minister for Agriculture) [12.05 p.m.]: The Opposition has used a most legitimate device to bring this matter before the House, and it is in my opinion doing a service.

I would like to reply to several points made by the speakers who have presented a very lucid and quite feeling appraisal of the situation in general. To sum up the whole position, we must look first of all at the high correlation which exists between the rainfall figures of the last four years and the consequential effects on the productivity of the area. These effects are passed on to the service facilities and ancillary adjuncts.

Figures show that both summer and winter rains have been markedly absent since about June, 1968. Indeed, as a consequence, sheep numbers have reduced dramatically. In 1968 there were 616,000 sheep and recently this figure has fallen to 248,000. The estimate for this year is below 200,000. These figures could be substantiated by the Commonwealth Bureau of Census and Statistics, although I feel they probably emanated from that authoritative source.

In addition to the reduced sheep figures and the reduced wool cut which that represents, the problem would be aggravated by the lighter yield of the fleece and also by the failure to replace stock through the almost total absence of lambing. The economics of the towns are in turn affected, and also shire finances are down. This has further implications throughout the districts.

The member for Boulder-Dundas made abundantly clear the impact upon the native people of the area and the problems which confront the Native Welfare Department in terms of increased drinking and crime in the towns.

It has been repeated many times that rains even now would give no real relief to the existing situation.

Several members made the remark that there had been no real recognition of the situation, though I do not think their comments were politically orientated. However, it is not altogether true that there has been no real recognition of the situation, and I would like to refer to a number of actions which have been taken, indicating the very keen interest the department is taking in regard to the situation. It has endeavoured to keep abreast of the most informative and authoritative reports, and to try to find a solution to problems which are brought to it.

To their credit, the pastoralists and graziers have made clear through the media and every avenue open to them the plight of the people in the area. In March of last year, very shortly after this Government took office, an approach was made to the Premier and the Minister for Agriculture. The pastoralists and graziers asked for a general moratorium to be

applied to all grazing properties. However, after the difficulties of this proposition were explained, they reviewed their policy on the matter. In May a further approach was made by way of a deputation and reference was made to a number of measures which could be undertaken. These measures covered a very broad spectrum and quite a few of them came within the compass of the Commonwealth Government, such as relief from various imposts and things of this kind.

After I received the deputation—and really emanating from it—I visited the area and my reaction was similar to that of the member for South Perth. It was my first experience of true drought conditions, and I share with the honourable member the feeling of revulsion he expressed. From that time on an intensive investigation was made of a number of measures; indeed, several measures were implemented, including an amendment to the Land Act.

In June the Treasurer was approached to seek special consideration from the Commonwealth. Then in October, 1971, and again early in March of this year the matter of special assistance for pastoral areas was raised during the conferences dealing with rural reconstruction and finance for the States. The point was made most clearly, but the Commonwealth took a stand on the basis that it would be discriminatory and there should be no disparity in the treatment of rural areas, except where special schemes, such as the Marginal Dairy Farms Reconstruction Scheme and certain fruit schemes are in existence.

Early in April the Director of Agriculture visited the area and his subsequent report supplemented the observations of the range management division. Again in April a further deputation from the Pastoralists and Graziers Association was received, and an updated submission was presented. Arising from that submission a case was put to the drought finance committee. The committee has made a number of recommendations which have not yet received Government approval. The recommendations, together with a further request for consideration of finances, have been referred back to the committee, which is composed of the heads of the Department of Agriculture, Treasury, and the Rural and Industries Bank. That is where the matter rests from the point of view of the interest of both the Government and the other authorities.

I feel no neglect has occurred in recognising the situation. I would like to reassure previous speakers that this has been the case. The situation has been under close observation and detailed up-to-date information has always been available.

A number of measures have been produced which have given some relief. Indeed, speakers opposite expressed the value of them. You will recall, Mr. Speaker, that the Land Act was amended to enable pastoral lease rents to be waived for economic reasons where necessity could be shown. Relief was also provided from the payment of shire council rates. This in itself is a considerable aid as rates can amount to up to \$1,000 in individual circumstances. Relief from vermin rates has been provided also. I point out that not only has the vermin rate to the State been abolished, but relief from vermin rates on a local level has been provided also. Whereas the previous contribution of the Government was one-third of the total cost of vermin control—and bear in mind that amount ran into hundreds of thousands of dollars—the contribution has been upgraded to 50 per cent. On top of that there is the waiving of the local rates. So, all in all, I think that measure of relief is meaningful.

The assistance with shire rates aided considerably those shires which were reaching a stage of desperation because funds were becoming depleted. The available drought relief measures were not of any great practical use; they are more applicable to agricultural areas and could hardly be considered as relief measures in these circumstances.

The subject of rural reconstruction has been raised, and an alternative of long-term, low-interest finance was advanced as being the ultimate solution. I would like to point out to the House the difficulties which arise when considering this proposition. First and foremost, the Commonwealth does not recognise that special consideration should be accorded pastoral areas; those areas are part of the overall situation. Eligibility for rural reconstruction funds is proving to be a great difficulty in pastoral areas.

The qualification applied by the Rural Reconstruction Authority is that viability must be shown. The authority is using a very realistic figure for the price of wool in agricultural areas. As has been pointed out, in pastoral areas the cost of production has been demonstrated to be considerably lower, and these areas lend themselves to quantity and quality wool production. The total cost in terms of management of stations indicates that so far as production is concerned the costs are more than favourable compared with agricultural areas. Therefore, the figure used in calculations by the Rural Reconstruction Authority is more than realistic; it is virtually generous. In these cases the term of the loans may be in excess of 20 years—and bear in mind there is always a possibility of relief from payment for one or more years. So the source of rural reconstruction funds is probably about the

best we can hope for. I think possibly the best hope of survival of rural industries stems from this source.

However, when we are dealing purely with a grazing proposition it is difficult to establish that it is a loan situation. If it is not a loan situation under those conditions—the best conditions which have been made available in the State—then we enter into the justification of going beyond a loan and making what could be termed virtually a grant. This embraces a total rethinking of major policy decisions. I think the member for South Perth passed over the requirements fairly lightly. He said that this is the simple solution which is sought. But I do not think we can view in total isolation a special funding consideration for one aspect of rural industry.

**THE SPEAKER:** The Minister has five more minutes.

**MR. H. D. EVANS:** This must be viewed against the broad spectrum of the total State area. Jerramungup is a case in point where there is a marginal situation even though an emergency loan scheme was set up. I received a deputation yesterday in this respect.

There is also the problem of war service land settlement. Yesterday a meeting was held at Mt. Barker to give special consideration to this case. There are, of course, long-term policies which arise from the adoption of a broad change of policy.

Commonwealth funds of a special nature were referred to. Let me point out that in each and every case the State has to make a contribution, and the previous Government had the same difficulty when making application for drought aid. In Queensland there is a triggering-off point of something like \$2,000,000. In other words, this is the amount of money which must be spent by the State before the Commonwealth will contribute any moneys. In New South Wales the triggering-off point is \$5,000,000, and in Victoria it is \$2,500,000. Before such amounts are utilised by the States, the Commonwealth will not consider giving anything towards the alleviation of drought relief. This is the problem with which we are faced.

The present situation is that the position in this State is one that has not yet been reviewed, but in the policy the first \$500,000 will be the responsibility of the State. The next \$1,000,000 will be met on a dollar-for-dollar basis, and after \$1,500,000 the Commonwealth will commence its contributions.

I would point out that a small committee has submitted some recommendations. The committee has been asked to review the whole situation. This request stemmed from the last deputation from the P. and G. Association. So all in all, I think I can say that the Government and the authorities have kept closely in touch with the

problem as it exists. The Government has undertaken certain measures and has taken three practical steps to which I have referred. Other measures have brought about a certain amount of relief, and I think the proposals that are currently being considered belie the claim that the problem has not been recognised. It certainly has been recognised in official quarters and by the organisation itself. I can only say that the attitude of the people involved is something of a revelation and is to be commended. We are most sympathetic towards the situation that does pertain, and if it is at all practical to come forward with a solution this will most certainly be done.

**MR. COYNE** (Murchison-Eyre) [12.23 p.m.]: I hope the House will consider the appointment of a—

The **SPEAKER**: Order! There can be no reply to this debate.

**Mr. COYNE**: I ask leave of the House formally to withdraw the motion.

The **SPEAKER**: The member for Murchison-Eyre has asked for leave to withdraw the motion. Is there a dissentient voice? As there is no dissentient voice, leave is granted.

Motion, by leave, withdrawn.

## **JUDGES' SALARIES AND PENSIONS ACT AMENDMENT BILL**

### *Second Reading*

Debate resumed from the 27th April.

**SIR DAVID BRAND** (Greenough—Leader of the Opposition) [12.24 p.m.]: This is a very small Bill and I must admit that the Attorney-General in his explanation of it really lived up to the statement that it was a small Bill, because he gave it brief comment.

**Mr. T. D. Evans**: But adequate.

**Sir DAVID BRAND**: Certainly, it does not require a great deal of explanation, because the Attorney-General said it has been found that the pensions being paid to judges under the existing law have proved to be anomalous, inasmuch as one judge received a pension of 50 per cent. of his salary under certain conditions, and another a lower percentage under other conditions. However, let us have regard for the case where a judge has complied with all the conditions and is receiving a pension of 50 per cent. of his salary.

It is not necessary for me to point out that there are a number of judges who have retired. One in particular retired some time ago when his salary was approximately \$18,000 a year, and today his pension would be \$9,000 a year. Those judges who have retired subsequently, and who were receiving a much higher salary at the time of retirement, would automatically receive a pension that is

much higher. So as the years go on there must develop a very unfair situation and one which I do not think we should allow to continue.

At least we could recognise the request by the judges that something be done about the system by which their pensions are decided. The Attorney-General has put forward that we should adopt the same system as applies under the Superannuation and Family Benefits Act, which applies to most civil servants, including the top-salaried officers in the Public Service. The Attorney-General read out subsection (4a) of section 46C of the Superannuation and Family Benefits Act, to explain what applied under that Statute. It provides—

The Treasurer shall, not later than the thirtieth day of June in each year, commencing with the year nineteen hundred and seventy-one, determine that the State share of pensions, or the State share payable in respect of certain units of pensions, payable to former contributors who retired on or before the thirty-first day of December in the year that is two years prior to the year in which the determination is made, shall be increased by such amounts or at such a rate or rates, as are specified in such determination.

For the past two years, I think, this system has worked reasonably well. I gather from the information given to me that it was rather difficult to draft a provision in legal terms which specifically laid down the line which should be taken, because it could create certain anomalies.

So the matter has been left elastic inasmuch as the decision is left in the hands of the Treasurer or his officers.

**Mr. T. D. Evans**: I think the Leader of the Opposition, without difficulty, could recognise the author of the Bill.

**Sir DAVID BRAND**: I do, but the fact is that, having come up against certain problems in respect of most civil servants under the Superannuation and Family Benefits Act, it was decided to follow this course.

In respect of the pensions for judges I suppose there are many ways, other than the course proposed, that could be followed, but I do not think it is a wise system to have a number of different formulas which apply to different groups of people. Certainly it is somewhat different from the system under which pensions are paid to members of Parliament. However, it has been decided that the system under which civil servants receive their pensions should apply to judges.

I think the system is a fair one, and because I believe that, and as I have made some inquiries, I feel satisfied that the amendment proposed by the Attorney-General is acceptable and should be put into effect.

**MR. T. D. EVANS** (Kalgoorlie—Attorney-General) [12.29 p.m.]: I thank the Leader of the Opposition for his clear analysis of the Bill and his endorsement of the principle contained in it. I think it is fair to say that if we accept the principle that a pension should be provided to a loyal retired servant, then some means should also be adopted from time to time, having regard for inflation, to restore value to what one may refer as the disposable part of that pension for the living and other expenses of the retired servant concerned.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by Mr. T. D. Evans (Attorney-General), and transmitted to the Council.

# **WOOD DISTILLATION AND CHARCOAL IRON AND STEEL INDUSTRY ACT AMENDMENT BILL**

*Second Reading*

Debate resumed from the 27th April.

**MR. WILLIAMS** (Bunbury) [12.32 p.m.]: I say at the outset that I support the contention of the Bill, but not the purpose behind it. I will indicate that as I unfold the story. In introducing the second reading the Minister said this would give the Wood Distillation and Charcoal Iron and Steel Industry at Wundowie the same borrowing powers as those possessed by other statutory bodies. I am not against this industry being given borrowing powers, but when the Minister was introducing the second reading of the Bill he made available to me—as the member of the Opposition taking the adjournment of the debate—some documents relating to the use to which that borrowed money would be put. I will deal with this aspect later on in my speech.

Firstly, I would like to give some history of the industry that is established at Wundowie, because it is rather interesting, particularly in view of my later comments in this debate. In 1943 the Wood Distillation and Charcoal Iron and Steel Industry Bill was introduced in this House by the then Minister for Industrial Development (Mr. Hawke) who was also the member for Northam.

The measure, which was introduced during the war years, received the support of members from both sides of the House; and it was claimed to be something of a breakthrough in this type of industry in

Western Australia. In the second reading debate on that Bill the then Minister for Industrial Development said that the maximum capacity of the industry to be established at Wundowie would be about 10,000 tons of pig iron a year. At the present time the production is running at between 55,000 to 60,000 tons a year, as far as I can judge from the reports that are available.

The then Minister for Industrial Development also said that the local usage of the product would amount to approximately 5,000 tons a year. On page 430 of the 1943 *Hansard* he is recorded as having said that the local consumption of pig iron was 5,000 tons. He went on to say—

Therefore it is probable that the whole of the pig-iron produced from this small plant will be consumed in this State. Should it become necessary to export pig-iron, it is considered there would be no difficulty in finding ready markets for it, both in the Eastern States and in countries reasonably close to Australia. In support of that statement, I repeat what I said earlier to the effect that iron produced under the charcoal production method is of a higher quality than that produced when coking coal is used as fuel.

He further said that charcoal iron usually carried a premium in price of about £1, or in today's currency \$2, per ton above iron produced with the use of coking coal.

On page 431 of the 1943 *Hansard* he is recorded as having said in the debate on that Bill—

We thought, in our wisdom, it would be better for the future of the industry, and for the taxpayers and the people of the State generally, to establish the industry on a small scale basis in a steady and sure way, and use that small scale industry as the foundation upon which to build in the future a large scale iron and steel industry.

Of course, it was proposed that this small industry would be established as a pilot plant to produce 10,000 tons of iron a year.

The then Minister for Industrial Development also said further on in his speech that at some time in the future an industry could probably be established in the south-west of the State which would produce 200,000 tons of pig iron a year.

I believe that this pilot plant has grown out of all proportion, but I must say it has served a purpose to industry in Western Australia, to some extent at a price to industry.

It is very interesting to note that during the passage of the Bill in this House in 1943 the estimated annual expenditure

was mentioned. On page 432 of the 1943 *Hansard* the then Minister for Industrial Development said—

The report goes on to state that the estimated annual expenditure is £76,360, so that the anticipated gross profit is £24,870, or approximately 24.5 per cent.

Anyone who has followed this industry over the years, and who has examined the reports of the Auditor-General will know that in the first eight years of its operations the industry sustained very substantial losses; that in the ninth and tenth year of its existence it made small profits; but that from then onwards it made some successive profits and losses. In fact, to the end of the 1971 financial year it sustained a total loss of about \$5,555,000. I will deal with these losses later on.

As the Minister for Development and Decentralisation said when he introduced the second reading of the Bill now before us, one of the reasons the industry at Wundowie is experiencing troubles is that there is a downturn in the usage of pig iron by Japan. We must bear in mind that since the establishment of the industry the iron has been sold not only to Japan; a very large quantity of its production was, up to a few years ago, sold to Germany and other European countries. They were the big buyers of our charcoal iron, and there was good reason for that.

Ten to 15 years ago the charcoal iron process had a very distinct advantage over the blast furnace process in which coke is used as the fuel, because the charcoal iron process had better analytical control over the quality of the iron. In those days coke had a very high sulphur and phosphorus content, and this was transferred to the iron. A fairly costly method had to be used to extract that phosphorus and sulphur; whereas in the case of charcoal iron the charcoal fuel has a very low sulphur and phosphorus content. Therefore iron produced from charcoal was of a much better quality, in the eyes of the manufacturers, than pig iron produced under the blast furnace process.

However, in the last 10 to 15 years great technical advances have been made in the smelting of iron ore to produce pig iron under the blast furnace process; and this has resulted in increased analytical control of blast furnace operations. Iron produced under the blast furnace method is now equal to, and in some cases better than, iron produced from the charcoal method. This, of course, has brought about a great deal of pressure on the industry at Wundowie, and is illustrated by the stiff competition to the sale of charcoal iron. Again, I will refer to this matter later on in my contribution to the debate.

Since the inception of Wundowie in 1948 when production commenced, a verbal agreement has existed between Wundowie,

B.H.P. and local manufacturers that B.H.P. on the one hand would not promote its sales of—or, in fact, sell—pig iron in Western Australia. To be fair, I might add that early in Wundowie's life B.H.P. would probably have been struggling to sell its pig iron because of the good quality control which charcoal iron had over its competitor, blast furnace iron, at that time. But B.H.P. had agreed not to sell or promote sales in this State.

On the other hand the local manufacturers agreed they would not purchase pig iron from B.H.P., but would buy all supplies from Wundowie. I believe this was for two reasons; that is, in the interests of saving themselves a quid at the time—not a buck—and also from the point of view of quality.

Immediately after the war a terrific shortage of pig iron and materials occurred and it was agreed that B.H.P. would supply the Eastern States, and Wundowie would supply local manufacturers, which suited the manufacturers because they had supplies more or less on their doorstep and did not have to wait any great length of time for them. Because of this, Wundowie has been successful in supplying all raw materials to foundries.

Even since May, 1968, when B.H.P. commenced blast furnace operations at Kwinana and produced pig iron, that company has not entered into the field in competition with Wundowie. B.H.P. has scaled down its production at Kwinana, but I believe it is still producing some pig iron there. The company's main pig iron production has been transferred to Whyalla.

I have some comparative prices for Wundowie pig iron covering the last few years, and seek your indulgence, Sir, while I quote them because they do have a large bearing on my case later on. Only the average prices can be given because the price varies with the grade of the iron. Therefore in general terms in 1965 the price of standard-grade pig iron from Wundowie into the yard of the foundries in Perth was \$51.75 a ton. In 1966 it was \$58.25 a ton; in 1968, \$60.25 a ton, while this year it is \$68.50 a ton. These figures reveal an increase of \$16.75 a ton in six years, or 32 per cent.

Considering this is a Government-owned industry, and the noise we hear from time to time about increased costs, I thought we might have heard more from members of the present Government about this increase and the consequent increased cost to the local manufacturers and, in turn, to the consumers.

Mr. Graham: Your salary went up 30 per cent. in three years.

Mr. WILLIAMS: I am not disagreeing with this.

Mr. Gayfer: Yours went up more.

Mr. Graham: Not nearly as much as it should have, and I am not complaining.

Mr. WILLIAMS: Early in 1971, as the member for Avon said, the Minister's salary went up by a far greater extent than ours, and some members suffered a reduction in salary at that time.

Mr. Graham: Fruits of victory; payment by results!

Mr. WILLIAMS: Is that what it is?

Mr. Graham: Yes.

Mr. WILLIAMS: The Minister is being grossly overpaid at the moment!

Mr. Graham: Just as well no-one takes any notice of your opinion.

Mr. WILLIAMS: Grossly overpaid! The comparison I wish to make by quoting these prices—and I want to deal with today's prices—is that B.H.P., and I am not pushing its barrow one iota, charges the same price in every capital city in Australia, whereas with Wundowie, we have a certain price in Western Australia, but the export price, either to the Eastern States or overseas—although it is doubtful that much would be exported to the East—is higher.

*Sitting suspended from 12.45 to 2.15 p.m.*

Mr. WILLIAMS: Just before lunch I was dealing with some costs of pig iron from Wundowie. I mentioned the agreement between B.H.P. and Wundowie so far as the local manufacturers are concerned. I also said that B.H.P. would not supply pig iron in Western Australia in direct competition with Wundowie. I was on the point of comparing present-day prices of B.H.P. pig iron with Wundowie pig iron. This begins this part of my story.

Standard foundry pig iron, which is called F.115, landed by B.H.P. at Fremantle would cost \$61.75 a ton. The same quality Wundowie pig iron—or a very similar quality as far as I can gather from the schedules—would cost \$67.25 a ton, which makes a difference of \$5.50 a ton by which Wundowie pig iron is dearer than B.H.P. pig iron.

I shall give a second example of another type of pig iron—low-sulphur, low-phosphorus pig iron. B.H.P. could land this at \$63.50 a ton—that is, ex-works at Kwinana—whereas the Wundowie price would be \$75 a ton, which makes a difference of \$11.50. Consequently local manufacturers are paying this much more than they would be paying if they were allowed to use pig iron from B.H.P.

The point I am making is that, despite the cost differential in favour of Wundowie, the local foundries have honoured their word and have not approached B.H.P. to buy cheaper pig iron. It has not been cheaper all the time that Wundowie has been operating, but certainly

it has been cheaper over the last several years. B.H.P. has not tried to push its pig iron onto the market in direct competition with Wundowie.

There is this price disadvantage to the local manufacturers in buying Wundowie pig iron and, in fact, they are subsidising Wundowie in two ways. Firstly they are paying more than they would be if they were buying from B.H.P.; and, secondly, as taxpayers they are subsidising Wundowie through the State's revenue.

We have heard so much talk in recent times about B.H.P. being a great monopoly which operates throughout Australia and puts up its prices by 5 per cent., paying no regard to anyone else. In fact, B.H.P. is a firm which can land pig iron—in this case—at any Australian port at the same price and, in fact, can sell the product more cheaply than a State-run concern in Western Australia is able to do. There has not been one word from Government members or the people who support them about this fact and it makes me wonder at the reason. Why has there been no great discourse from somebody about Wundowie charging more than the great monopoly of B.H.P.?

Mr. R. L. Young: Nobody is interested.

Mr. WILLIAMS: To come to the Minister's notes, he told us the purpose of the Bill is to allow the Wood Distillation and Charcoal Iron and Steel industry to have borrowing powers. The measure will, in fact, confer borrowing powers upon the industry. I agree that this is the purpose of the Bill.

The Minister also said—

The reason for bringing this Bill forward at this stage is that the industry has recently made an application for an amount of \$700,000 for capital purposes to expand the existing foundry located at Wundowie.

I shall deal with this later when I go through a feasibility study which the Minister was kind enough to make available to me, as he mentioned in his second reading speech.

Mr. Graham: I trust the honourable member will exercise a little discretion in what he quotes from the feasibility study. I gave it to him for his background information, but it would be grossly unfair if he takes advantage of that generous gesture to broadcast to the world at large the internal workings of the Wundowie industry.

Mr. WILLIAMS: The purpose of the Bill is to help raise \$700,000 for Wundowie on the basis of a feasibility study which has been carried out. All I intend to do—and I hope I will be in order—is to deal with the preamble to the feasibility study and not specifically with the monetary operations of the company. I want

to point out to the Minister that the feasibility study was not justified on economic grounds and to make reference to some tonnages that are mentioned in the feasibility study in connection with the future—not the present—operations in this field. The Minister also mentioned that the main product from Wundowie is pig iron, the market price of which is governed by world conditions and, of course, industry costs immediately respond to changes in Australian conditions. He mentioned, too, the fall-off in sales of pig iron as a result of the recession in Japan.

I am quite pleased also that the Minister mentioned here that these problems have been intensified because of large increases recently granted by the wage-fixing authorities. It is nice to know that somebody from the Australian Labor Party recognises the fact that increased wages have some effect on cost. This does not seem to be recognised on the Government side until such times as it commences to affect something the Government is operating itself.

The Minister mentioned that the feasibility study showed that the introduction of an automatic moulding process would be sufficiently profitable to more than offset the projected losses of existing plant, subject to the industry gaining a share of the market. I wish to deal with this point now and again a little later. I suppose the success of any business is subject to the market, but I have always believed when manufacturers put up a good product they have a very good chance of a reasonable share of the market. Surely the Minister would have investigated the possibilities of getting that share of the market to which he referred? Of course, "subject to the industry gaining a share of the market" is all airy-fairy in my book. It is very vague and not a good outlook for the sale of a company's products to be subject to gaining a share of the market.

Mr. Graham: You know the same description could apply to every industrial agreement which has come before this Parliament.

Mr. WILLIAMS: Maybe that is so, but in that case it is not the taxpayer who is footing the bill, it is the shareholders in the company. The taxpayer will continue to foot any losses sustained by this industry and I believe the unfortunate taxpayer has enough at stake.

More research should be carried out, particularly if the industry is to compete with other companies. Possibly a number of people in other industries in this State could be put out of work. I can assure the Minister I will deal with this point.

Mr. Graham: That would be about 4.30 p.m.

Mr. WILLIAMS: I hope it will not be as long as that, but if the Minister keeps interjecting it may even be 5 o'clock.

Mr. Graham: That would not surprise me.

Mr. WILLIAMS: It would surprise me if the Minister did not interject.

Mr. Graham: Don't be so provocative.

Mr. WILLIAMS: The Minister said that if this industry does not obtain the additional funds we will see certain things happen. Four hundred men and women in Wundowie will lose their employment and there will be a complete destruction of this decentralised industry. If this is the cost of decentralised industry to the taxpayer, I hope we do not have too much of it. I believe private enterprise is prepared to take on projects such as this with some incentive on an economic basis from time to time by the Government. Let us not go ahead and pump more money into this project. The average losses of this business in the 22 years it has been operating are \$250,000 per annum; that is, a total of \$5,550,000 in its 22 years of operation. And it must be remembered that this business is not paying taxes compared with the position of a free enterprise business which would have to allow for taxes.

Mr. Graham: Who said that Wundowie does not pay taxes?

Mr. WILLIAMS: I assume that as a State Government concern any profits will go back into general revenue.

Mr. Graham: I think you should check your facts.

Mr. WILLIAMS: The Minister can comment when he gets to his feet. This concern is operating at a loss even though it does not pay taxes.

Mr. O'Connor: Does it pay company tax?

Mr. Jamieson: If you are showing a loss you do not pay much company tax anyway.

Mr. WILLIAMS: That does not alter the position that this concern has lost \$5,550,000 in 22 years. That is the point I make.

The Minister also mentioned another factor; that is, that export business of \$4,000,000 will be lost. This is not correct because the Auditor-General's report for the year ended the 30th June, 1971, deals with the export of pig iron on page 155 under the heading "Revenue Statement." It states that the export of pig iron earned \$2,589,033; other exports earned nil, and domestic, all products, \$1,978,946. Wundowie is not giving Western Australia an export income of over \$4,000,000. In fact, it is about \$2,500,000.

Mr. R. L. Young: They did not get their figures wrong by any chance?



Mr. WILLIAMS: The figures may be wrong, but that is how I read the report. I presume the Auditor-General would not make a mistake.

The Minister has informed us, and it is obvious from the Auditor-General's report, that currently \$1,300,000 is invested in the industry in loan funds. As I said earlier, giving the board borrowing powers will not detract from the necessity to make up losses from the taxpayer's pocket. I fail to see how an industry such as this, with its record of trading on a profit and loss basis, could go to a lending institution and borrow money without some sort of guarantee. Of course without a guarantee the industry could not borrow the money, but the lending institutions would be back in the field if the Government guarantees the loan.

If the loan cannot be repaid, it then comes back on the Government and eventually falls upon the taxpayer to pay it. Of course, this would only happen if the industry continues to run at a loss after it has increased borrowing powers.

As I said, the industry has lost \$5,550,000 since 1948-49, which was its first full year of trading, and that is an average of \$250,000 per annum.

I have already mentioned that this is a preamble to dealing with the feasibility study. Firstly, I would like to pay due credit to Mr. Constantine who is the manager of the works. I believe he is a very dedicated and efficient operator in this particular field. Anything I say with regard to this feasibility study is not intended as a criticism of Mr. Constantine. I do not know whether Mr. Constantine conducted the study himself; no doubt he had the assistance of other people.

He has put his name to it, and that is the way the game is played. I suppose if I or any other member of this Chamber were placed in a similar position—namely, of having to justify the expenditure of a certain amount of money on an industry which I was managing—I would probably take the same action as Mr. Constantine has done with this feasibility study.

The first part of the feasibility study refers to the trading results for 1970-71 showing a profit of \$94,626, and then, in the following year—1971-72—it is anticipated that the trading will result in an anticipated loss of \$358,000. In fact, one could say that for 1971-72 the total loss of the industry would be \$358,000 plus \$94,626, making a total loss of \$452,626.

Suffice it to say that a loss of \$358,000 in one year is not what one could call a good trading result.

Mr. Graham: What is the basis for your mathematics? In other words, what you are saying is that if the company made \$1,000,000 in one year and then broke even the following year you would regard the company as having made a loss of \$1,000,000 in that year?

Mr. WILLIAMS: Having made a profit of \$94,626 in 1970-71, and then anticipating a loss of \$358,000 in the following year, surely it is logical to add the two amounts together and say that is the sum the company would actually lose in that trading year.

Mr. Graham: You would take one amount from the other.

Mr. WILLIAMS: Let the Minister do his sums and I will do mine. When I was sitting on the Minister's side of the House, I can well recall the Minister working out sums to suit his own particular argument. In any event, if I am wrong the Minister can correct me later.

Mr. Graham: Apparently you do not know the difference between a plus and a minus.

Mr. WILLIAMS: Perhaps I do not; someone may have put a cross on the minus sign and made it plus. Anyway, in algebra, if there is a plus and minus the result is a minus.

Mr. Graham: It all depends which is the higher figure.

The SPEAKER: I think we will return to the Bill.

Mr. WILLIAMS: In the second paragraph of the feasibility study it is pointed out that the reasons for the reversal were the decrease in sales of pig iron from Wundowie—this is what I said previously—and also increased production costs, including the cost of labour. In the fourth paragraph it is stated that forecasts are usually unreliable because of the uncertainty of the cost price level. One does not have to be any great marketing enthusiast to know this. At the end of that paragraph it is also stated—

Therefore, the forecasts should only be read as a guide to future trends.

I would like members to bear this in mind when I speak about trends later on.

There is a point relating to pig iron which I think should be kept in mind when considering the whole context of the operations at Wundowie, and granting borrowing powers to the industry, despite the fact that the industry is losing money each year. In the last few days I have received technical advice from metallurgists to the effect that there is coming into being at present a process for making synthetic iron. This is occurring not so much in Western Australia, but it is certainly coming about in the Eastern States and also overseas.

This process, by which scrap steel is purchased and melted in the furnace, with the addition of carbon and silicon, means that scrap steel can be brought back to cast iron. This is a new process and, as one can well imagine, as the technology of it improves, it will have a severe effect on the sales market of pig iron. It will

be a definite competitor of pig iron, because one knows that scrap steel is very cheap and, on many occasions, people are battling to get rid of it. Of course, as this new process evolves and is used to a greater extent the price of scrap steel may increase, but according to the technologists who know it will still be far more economical or cheaper than pig iron.

Therefore, this will mean that pig iron will be faced with more competition. In fact, one firm in Western Australia which has committed itself to an expenditure of \$100,000 or \$150,000 on pig iron, expects to do something along these lines.

In paragraph 6 of this feasibility study it is stated—

However, it is clear that a further major extension is required in one or more sections of the Industry to reduce unit costs by scale of production or new products must be added to increase profitability.

One cannot argue with that, but I have some doubts as to the new products and the market available for them, especially with anyone who is entering the foundry side of engineering.

In his feasibility study, Mr. Constantine has stated that they have examined other methods to increase the output and the profitability of Wundowie. On the basis of producing more charcoal and the installation of another retort, it is stated that this would permit the blast furnaces to be brought up to maximum capacity and surplus charcoal could be exported. It is estimated that the capital cost of such development would be \$600,000 and that the improvement in profitability is estimated at \$80,000 or \$100,000. Therefore, that proposal was put aside as not being feasible, which is fair enough.

In the second last paragraph of the first page of this report on the feasibility study, the following appears:—

Products could be sold on the Australian market and prices would vary with the economy.

This refers to the expansion of the foundry section. We all know that products could be sold, but, first of all, we have to find someone to whom we can sell them, and this is a point I will deal with in a moment.

The feasibility study then goes on to mention that inquiries have been made and research has been done on the possibility of installing a disamatic production process for castings. This is what Wundowie wishes to install as part of its proposed expenditure of \$700,000. The disamatic process is a highly mass production kind of process and lends itself very well to mass production when quantity is available.

In this particular study Wundowie places a great deal of emphasis upon selling such types of castings in the first, second, and third year of its expansion programme by the use of this disamatic moulding process.

On the expansion side for 1972-73, it is anticipated that Wundowie will produce cylpebs which are used in the production of cement. It is expected that it will produce 600 tons a year in 1972-73. Might I point out here—I said earlier I would mention this—there are many things that could be sold, but at the present time, from my investigations, no cylpebs are being imported into Western Australia. In fact, about 600 tons are being supplied by two foundries at present, and they are working at less than one-third capacity. This illustrates how depressed this industry is at the moment. Yet we are being asked to allow Wundowie to borrow \$700,000 to compete with these firms which are working in a depressed market and, in fact, if this feasibility study came up to expectations Wundowie would take the whole production of 600 tons of cylpebs from the two suppliers I have already mentioned. My investigations reveal that the usage of cylpebs would not increase to any great degree over the next five years.

The second item on which the feasibility study is based is taken as being a production of 2,500 tons of grinding media. I think I had better refer to grinding media because then everyone will know what I am talking about. This again is just not on unless Wundowie as a result of its expansion cuts out the present producers.

I have been in touch with one of the producers of grinding media in this State, and he has given me some figures which I will quote. I will mention the firm's name because the proprietor said he did not mind if I did. In the last two years only 2,200 tons of grinding media a year has been used in this State. How Wundowie will find a market for its 2,500 tons I do not know, because 2,200 tons a year has satisfied the market in this State.

This year the total usage of grinding media for the gold and nickel industries will be no more than 1,800 tons and this figure will certainly not increase within the next several years, if ever, for reasons I will give in a moment. The average production rate per month of the two firms producing grinding media in this State is 80 tons which is 960 tons a year. That will satisfy the requirements.

A member: What is grinding media?

Mr. WILLIAMS: It is the spherical pieces of iron mixed in with the ore. The firm of which I speak is J. & H. Galloway Pty. Ltd. of Midland. I imagine it would be in the electorate of the member for Swan.

Mr. Rushton: I should think the member for Swan would be concerned.

Mr. WILLIAMS: I imagine he would be, but he can stand up and show his concern if he so desires.

Mr. Brady: The honourable member does not believe in decentralisation.

Mr. WILLIAMS: Galloway's figures for 1971 are as follows:—

Month	Production for Grinding Media Tons
February	130
March	144
April	116
May	114
June	136
July	152
August	178
September	126
October	171
November	135
December	125

Allowing 100 tons for the very short month of January, the total production of this firm was 1,600 tons in the year. In January, 1972, it sold 57 tons, in February, 1972, 110 tons, in March, 1972, 121 tons, and in April, 1972, 83 tons. The greatest production ever in this State was 1,800 tons in 1970, which was the year in which Kambalda started production and was using a large quantity of grinding media for experimental purposes. However, that market has completely disappeared and, as I said before, Galloways and the other firm are working at no more than one-third their full capacity in this line at the moment.

It is almost certain this type of production will not increase because a process of autogenous grinding has been developed and used at Kambalda, and this will be used at other ore treatment plants. They do not use any metallic media whatever, and the ore in fact is used to grind itself. It is taken by wheel, lifted on plates to about 25 feet, and dropped onto a steel pad. This process is repeated until the ore is the required size.

Therefore, how Wundowie can justify basing a feasibility study on 2,500 tons of grinding media in 1972-73 when only 1,800 tons is estimated to be used in the whole of this year—and it will probably be the same or even less next year—I do not know. This trend towards autogenous grinding is world-wide.

We come now to general engineering castings, and the early pages of the feasibility study mention that "there is probably no more than 200 or 300 tons of engineering castings of size suitable for the automatic moulding arising in this State and orders must therefore be won from the Eastern States." It has been estimated that the engineering castings production will be 300 tons a year. In other words, that total estimated by whoever wrote the report is the maximum tonnage which can be used in Western Australia. I doubt whether Wundowie would get orders for the whole of the 300 tons, although the possibility does exist because of the way the company can compete, but I will refer to that again later.

We now come to the year 1973-74 in which clypebs are still allowed for. The grinding media has gone down to 2,000 tons and the engineering castings have gone up to 1,300 tons, or more than four times the figure for 1972-73.

For the third year—1974-75—the engineering castings show a rise in estimated production to 2,000 tons. As I said, the feasibility study states that "200 or 300 tons of engineering castings of size suitable for the automatic moulding arising in this State and orders must therefore come from the Eastern States."

This is not so either, as I have stated, because of the depressed market in this State at present with foundries working at a very low rate of production—and this applies also to the Eastern States in the main. Let me tell the House that in the last 10 to 12 years 80 foundries in Sydney and Melbourne have closed. The only reason for the close of business is that not enough orders are available. Therefore, how on earth will Wundowie jazz up business to the extent of 1,300 tons when such fierce competition exists in the Eastern States? In addition, we must remember that Wundowie must face the freight costs between Western Australia and the Eastern States. How on earth Wundowie will sell 2,000 tons in 1974-75, I do not know, but I wish the industry luck. The writer of the feasibility study states—

I firmly believe that a big market for engineering castings can be developed once the machine is installed and operating.

I can imagine the planning necessary before that amount of money is spent. Those concerned must establish some sort of market and not just hope to goodness they will find one later. They must see their way clear to pay for the purchase and depreciation of the machine and the cost of running it, and not just hope there might be sufficient trade around to keep the machine in full operation. The feasibility study continues—

Even Chamberlain-John Deere might be attracted . . .

This I think is a pious hope. That company is no longer connected with the Government. It is a private enterprise concern and will please itself from where it obtains the castings; and I believe it will not be very likely to get them from this source.

The firm of Chamberlain-John Deere would have to close down quite a large section of its shop, which I imagine it would not be prepared to do.

The final three paragraphs of the feasibility study, on page 2, set out the pros and cons of an induction furnace and the possibility of going into steel castings. The

cost of setting up a high frequency induction furnace would be \$60,000, and would probably be incurred in the second or third year.

Here again, steel castings are on precisely the same basis as iron castings at the present time. There is very stiff competition and unless Wundowie can cut the cost of its private enterprise competitors in this State I do not see how it can get any business.

The conclusion of the preamble to the feasibility study states—

At worst, if only grinding media and a small quantity of engineering castings were available, the machine will pay its own way and the Industry would be no worse off than it is at present.

From what I have already said about grinding media it can be seen that I believe it is a waste of money to spend \$700,000 on a machine such as this because the greatest part of the profit is based on the first year of operation. As I have pointed out, the firm will be lucky to get any work for the machine from the grinding media. Certainly, it will not get the amount of work stated in the feasibility study because it is just not available.

I have been talking about the depressed market in the engineering field and the foundry section. In the last few days I have been informed of the production figures of a large engineering firm which is operating in Perth. In June, 1971, the production of this firm, in terms of units, was 170. In April, of 1972, production was down to 60 units. In other words, production was one-third of what it was in June, 1971.

A further comparison can be shown by quoting the production figure for February, 1971, which was 100 units. So there we have the situation where the production in February, 1971, was 100 units; in June, 1971, production had risen to 170 units; but by April, 1972, production had dropped to 60 units.

I ask: How will Wundowie find sufficient business other than by cutting the throats of those in the business who have millions of dollars invested at their own risk—not at the taxpayer's risk? Perhaps the Minister will be able to advise me.

At the present time Warman Equipment from Kalgoorlie is closing down and moving to the Eastern States, for reasons best known to the company—but certainly for economic reasons. That company was born and established in Western Australia, but it is moving to the Eastern States because the business is not here.

Mr. Graham: It is not that so much; it is another case of a takeover.

Mr. WILLIAMS: That may be so, but the move suits the requirements of the industry at the present time.

Mr. Graham: I did not notice the Liberal Party getting excited about a takeover in Western Australia.

Mr. WILLIAMS: If this sort of measure goes through a State concern will be taking over private enterprise in this particular field in Western Australia, at a very unfair advantage.

Another Perth firm is anticipating moving to Tasmania and the move will probably take place in the next few months. I am not trying to use scare tactics; this is what is happening. I am not saying that if we were still in Government the same thing might not have happened.

Mr. T. D. Evans: The firm must have been attracted to Tasmania by the big majority of the Labor Government.

Mr. WILLIAMS: I think the decision to move was made before the election. Perhaps the decision will now be reversed!

Mr. Graham: The decision was made in anticipation.

Mr. WILLIAMS: I have mentioned unfair trading by the Wundowie industry as against the private enterprise section, and I will now give an example. A Perth firm recently quoted for the supply of railway bed plates for Indonesia. I daresay the Minister for Development and Decentralisation might know something about the contract. The Perth firm quoted for the supply of 16,800 railway bed plates, at \$5.40 each. The quote was made on the basis of cost and certainly no more than 1 per cent. profit.

An Eastern States firm quoted \$6.20 for each bed plate, and Wundowie quoted \$4.10. In other words, between 20 and 25 per cent. less than the actual cost price of their Western Australian competitors, which have been looking after and subsidising Wundowie in Western Australia for 22 years. I ask: Is this a fair deal?

Mr. Bertram: How has the competitor been subsidising the Wundowie industry?

Mr. WILLIAMS: If the honourable member had been listening he would know. I will again go through what I have already said for his benefit.

Mr. Bertram: It does not matter.

Mr. WILLIAMS: I will still repeat what I said because I am sure the honourable member might have the wrong story, simply because he does not know the facts.

Mr. Graham: Just as well we are sitting after tea tonight.

Mr. WILLIAMS: Because of an understanding between B.H.P. and Wundowie, B.H.P. has not sold any pig iron in this State. The local manufacturers have not requested B.H.P. to sell in this State but have purchased from Wundowie to support local industry. Over the last several years, at least, local manufacturers could

have bought their pig iron from B.H.P. for between \$4 and \$14 a ton less than the price from Wundowie. If that is not subsidising an industry, I do not know what is.

As taxpayers they have also been subsidising Wundowie because of losses made up through the State Treasury.

Mr. Bertram: Is the honourable member against any form of unfair trading?

Mr. WILLIAMS: I am against this form of unfair trading. It will be interesting to see whether or not some local manufacturers put this matter before the Commonwealth to see how it stands up under the unfair trading Act. I will be most interested to know the result.

The Minister will be glad to know that I have almost completed my speech, but I have placed an amendment on the notice paper. The reason for my amendment has been clearly set out in what I have said. I believe the feasibility study does not stand up to investigation. I do not doubt the integrity of Mr. Constantine but I believe that rather than have the feasibility study carried out by people who are managing the State enterprise—and where there will be expenditure on capital investment—a firm of market consultants or surveyors should carry out a separate feasibility study in conjunction with members of the Public Service who are versed in the industrial field. Such a feasibility study should then be presented to the Minister and to this House.

The points I wish to make are: Firstly, we have to bear in mind that local manufacturers have not purchased pig iron other than from Wundowie since that establishment has been in operation. In fact, they have kept their side of the bargain, even though savings of between \$4 and \$14 a ton could have been made in the last few years had they chosen to break that verbal agreement and buy from B.H.P.

Secondly, before expanding Wundowie consideration should be given to the fact that those people have not broken their agreement. If Wundowie were expanded, it would compete with private enterprise on an unfair basis at the present time because it can get its metal at far less than the cost to the local manufacturers. The hot metal coming from the furnace can be treated at very little cost and put straight into the foundry, even if the cold pig iron is used and melted in various furnaces. Wundowie buys pig iron or has it produced at less than the cost to local manufacturers.

The firms which have been buying the Wundowie products have subsidised Wundowie in two ways; firstly, by sticking to their agreement and paying more for their product over the last few years; and secondly, the taxpayers of the State have

subsidised Wundowie through the State Treasury. It should be borne in mind that Wundowie can quote at about 20 per cent. or more less than the cost price to private industry.

Thirdly, what will happen to the employees of local engineering firms who are put out of jobs if this unfair competition from Wundowie is allowed to continue? Will someone stand up and cry, "These fellows have been put out of jobs because of a State enterprise"? If anyone on the other side should do so, let him remember the warnings I have given today.

Fourthly, the disamatic is basically mass production equipment. Therefore we must ask ourselves whether the volume is available. As I have said, I believe it is not. If it is available, let someone tell us where it is. Is it in Western Australia or the Eastern States? There is no need to mention names but we want proof that it is available. If it is available in the Eastern States, what is the situation regarding freight and the cost of rejects, of which there will be a number?

The feasibility study estimates that the rejects will be 3 per cent. I believe that is not on. Mr. Constantine is rather good but I do not think he will get it down to 3 per cent. The experience of foundry people all over Australia is that the minimum is 5 per cent. and the maximum 10 per cent., which is two or three times more than the estimate in the feasibility study.

Fifthly, the foundry market is depressed. Wundowie would be breaking in on a better than even basis as compared with the local producers. The whole proposal is built on ifs and buts and pious hopes. I would like to see much more work carried out on this proposal before the State is committed to footing the bill at some future time for something that is not feasible. If it is desired or necessary to go in for this style of production, consideration should be given to something far less expensive than a disamatic at \$658,000. I believe a machine exists which will probably not do quite the same quantity of work as the disamatic but it has the same effect. With sand equipment and everything thrown in that machine would cost about \$60,000. I understand one person was thinking about installing one but he is now having second thoughts about it.

Finally, when it comes to the point, I believe Wundowie has served its purpose and from now on Governments should be finding ways to phase it out. I believe we should not carry on with an industry that has continually made a loss. It should not be lifted up to try to make a profit at the expense of many taxpayers in this community who have been subsidising the industry for a long time. In addition, it is likely to put many people out of work.

Wundowie should be phased out over the years because, with the advent of synthetic iron, the future for pig iron is limited.

I give very unenthusiastic support to the Bill. I hope the Committee will either throw it out or agree to my amendment.

**MR. O'CONNOR** (Mt. Lawley) [3.06 p.m.]: I think the member for Bunbury has fairly adequately covered the attitude of this side of the House towards the Bill. This industry is causing the Government concern not only at the present time; it has always done so. During its period of operations it has made an average loss of about \$250,000 a year, which is a very considerable sum.

**Mr. Brady**: It has created a lot of employment, though, hasn't it?

**Mr. O'CONNOR**: Certainly it has.

**Mr. Williams**: At a fair cost.

**Mr. O'CONNOR**: I could employ many people for that sort of money. At this point of time I am not decrying the industry. I am putting forward certain facts in connection with it and I hope members opposite will take what I say in that light.

The Bill confers certain borrowing powers on this industry. The Minister stated that while some 300 or 400 men and women are employed in the industry it is necessary to obtain this additional money in order to bring the industry up with the times.

The member for Bunbury pointed out that many other industries in this State have also assisted in keeping Wundowie operating. I believe very sincerely that our job should be to encourage individuals to do this sort of work, rather than that we should place it on the Government's plate, when it will normally run at a loss.

Individuals who undertake this sort of work face complications that Government industries do not face. The Minister indicated that Wundowie pays tax. I say it does not pay all the taxes that private industry pays.

**Mr. Graham**: Everything except income tax.

**Mr. O'CONNOR**: That is right, and this sort of tax goes towards the facilities required by the people of the State at various times. Some of it comes back through this House and is used for other purposes. If it were not for income tax and other taxes, where would we be? What social services could we provide for the community at large? I think it is very important to take these matters into consideration when we are dealing with this Bill.

It was stated that during the last four years a profit of something like \$259,000 had been made by this industry. I know of the difficulties that have been faced by

it. We had them when we were in Government and the present Government has them now. Future Governments will have the same problems because the industry is difficult to run, and it is difficult to see how it can continue to make profits in the future. Markets which we believe exist today may dry up in the future, and if they do the Government will receive no return from its investment. If private enterprise were to engage in this industry it would do so at its own risk, and it would have to ensure it received sufficient income to provide for taxation.

I believe Mr. Constantine has done a remarkably good job. He has made great efforts to bring the plant up to its capacity and do the very best he can with the industry. However, I am not sure the industry can continue to supply at the price at which it has been selling in the past. It has been supplying at a price something like 20 per cent. below that at which other industries in the State can supply. Is it doing this at a profit?

Private organisations would operate with the greatest efficiency possible. They must do so if their shareholders are to receive a return. If Wundowie is operating below the figure I mentioned, how is it doing so? I think the fact that the anticipated losses at Wundowie for this financial year amount to approximately \$250,000 indicates that it is not running as well as it should be. Obviously that is one of the reasons the Minister introduced the Bill.

The Minister said he wanted to extend the existing foundry, and that is one of the reasons for the introduction of the Bill. He also said—

The alternative is to face closure of the industry, with all of the social and economic consequences which that would entail. These can be summarised as follows:—

Complete destruction of a decentralised industry.

Loss of employment by 400 men and women at a time when the labour market is very difficult.

Let me say that I am one of the first to agree that the labour market is extremely difficult at the moment. That is unfortunate for each and every one of us. I am sure all of us, whether we belong to the Liberal Party, the Labor Party or the Country Party, would want to do all we can to assist in overcoming this difficulty. However, if the Minister for Development and Decentralisation proceeds on the basis he has suggested it will mean there is a possibility of some 300 people employed in this type of industry in Western Australia losing their employment. There is a possibility that an unemployment market will be created, anyhow—and this industry is counting on the Government to supply it with funds in order to keep operating.

If the Bill is passed I believe about 180 moulders and 20 pattern makers could lose their jobs; and about 100 other people could be affected indirectly. Therefore, whichever way we look at the measure the employment of 300 to 400 people may be affected if Wundowie takes work away from other industries. I feel just as sorry for those people as the Minister feels for the people at Wundowie.

Mr. Rushton: I should think the member for Ascot would feel sorry for them, too.

Mr. O'CONNOR: The Minister for Development and Decentralisation said that some \$3,500,000 is involved in this industry. I know that amount of money cannot be thrown down the drain; we must consider the investment to see whether we can get a return from it just as any other business does. But if we continue to create losses as we have done in the past; and if we continue to affect the employment of people in other jobs; and if in taking over the market we reduce the taxation applicable in certain parts of the State, then we will not receive a very great benefit at all. I know the borrowing powers are limited. I think an amount of something like \$300,000 is permitted by the Loan Council, which watches these matters very closely.

Like the member for Bunbury, I feel that this Bill could save the jobs of 300 or 400 workers at Wundowie; but it could also cost the jobs of 300 other people in the industry. We must consider them also. The member for Bunbury explained his proposed amendment. I have considered it, and I will support it later during the Committee stage. I sincerely hope the Minister for Development and Decentralisation will consider supporting it, too.

MR. RUSHTON (Dale) [3.15 p.m.]: Mr. Acting Speaker (Mr. Brown)—

Mr. Graham: Now I have seen everything.

Mr. RUSHTON: Well, let the member for Ascot say something. I thought he was one who would get to his feet and speak about the loss of employment in his electorate.

Mr. Bryce: You just do not understand the dynamics of employment; so do not pretend you do.

Mr. RUSHTON: This comes down to the basics of employment.

Mr. Graham: He just does not understand it, period.

Mr. RUSHTON: The stark facts are that loan funds to the extent of \$3,500,000 have been invested at Wundowie in capital works. In my opinion this measure is transferring a liability and making it a contingent liability; it is merely putting off the evil day to some time in the future. The Minister is most concerned—and I appreciate that he is—about how to handle this worrying situa-

tion. Members on both sides of the House must give careful and compassionate thought to the position in which the people at Wundowie find themselves.

Of course, the people in the rest of the State are also involved; that is why all of us—even you, Mr. Acting Speaker—should give full consideration to the proposition of the Minister. I am sure the balance sheet of the activities of this Government since it came into office would make strange reading. It would be most difficult to understand the balance sheet of the Government by making an orthodox examination of it.

I think the member for Bunbury clearly illustrated to all members that he has an excellent knowledge of the industry concerned. He put forward a clear case for his amendment, and indicated that there is every reason for the Minister to accept it. If we do not do something like this we could find ourselves in a very awkward position in the future. Then we could be in the position where we would lose the very schools, hospitals, etc. we wish to continue to provide. The Minister is in a most difficult position; the Government is in a difficult position; and the Opposition would be in a difficult position if it were in government.

The member for Bunbury suggested that this industry should be phased out, and it is logical to accept this after listening to the facts he put forward, which indicate that the prospects are very doubtful.

Mr. Brady: I do not think the member for Northam would agree with that statement.

Mr. RUSHTON: Probably the member for Northam is in this House as the result of that very township.

Mr. Cook: Is that why you want to get rid of it?

Mr. RUSHTON: It is most unfortunate that this is a party political decision which has come home to nestle on the backs of the people of Western Australia. That is why we do not wish to see the mistake perpetuated.

Mr. Brady: You do not think that scrapping the machinery would improve the economics of the matter?

Mr. RUSHTON: I would be very happy to hear someone put forward a clearly proven proposal—

Mr. Brady: The Minister has already put forward such a proposal. Do not waste time.

Mr. RUSHTON: The Minister has not put forward a soundly based proposal.

Mr. Brady: I heard you talking about an orthodox balance sheet. Give us a definition of an orthodox balance sheet.

Mr. RUSHTON: The member for Swan suggested that he has read the proposition of the Minister for Development and

Decentralisation, but it appears that he has not because the Minister did not prove anything in his submission. He made certain suggestions and put forward certain proposals, but he did not prove anything.

Mr. Graham: Did not prove what?

Mr. RUSHTON: That we had every chance of success in the future under the proposition the Minister advanced.

Mr. J. T. Tonkin: What is the alternative?

Mr. RUSHTON: That is what the member for Bunbury proposed.

Mr. J. T. Tonkin: Have you got one?

Mr. RUSHTON: I am supporting the proposal of the member for Bunbury.

Mr. J. T. Tonkin: He has not put up an alternative.

Mr. RUSHTON: Yes he has.

Mr. J. T. Tonkin: Why did not your Government take it up?

Mr. Williams: Because we did not ask for \$700,000.

Mr. RUSHTON: The Premier knows that our Government did everything it could.

Mr. J. T. Tonkin: It sold it and bought it back at a loss!

Mr. Williams: They could not give it away.

The ACTING SPEAKER (Mr. Brown): Order!

Mr. RUSHTON: Mr. Acting Speaker, I think you will gather from the interjections of the Premier that he clearly does not understand how risky this proposition is.

Nobody would accept the industry as a gift. I am now dealing with the human involvement—the people whose lives will be disrupted if the industry does not carry on. If that were not the main consideration the industry would be closed down tomorrow, because on analysis the benefits to the State would be nil.

Mr. J. T. Tonkin: Would you tell me why the Wyndham Meat Works which your Government sold has not closed down, because approaches have been made to our Government for a guarantee?

Mr. RUSHTON: The Premier is getting a long way from Wundowie.

Mr. May: You sounded better on the air this morning.

Mr. RUSHTON: It is purely a matter of the Government allowing a short time for its proposal to be assessed. I am sure the House expects that to be done. What is the use of putting off the sad day, especially when there is at present a need to provide more schools, hospitals, etc.? I am sure the members of the Government hope that some day in the future we as the

Government will assume the responsibility of doing what has been proposed. We want the State to be in a sound economic position; we do not want it to collapse. Surely it is not too much to ask that the proposed study be undertaken.

The Minister mentioned the alternatives, and in doing that he was facing up to the facts realistically. He mentioned the possible complete destruction of a decentralised industry. I would ask him why the industry was established at Wundowie? We have pointed out that it was because of political considerations in the past. However, sadly the problems are with us today; but they arose from the decisions that were made in the past. Unfortunately the people engaged in the industry are the ones who are greatly affected, and that is the unfortunate part of this Government venture.

The Minister also made reference to the loss of employment of 400 men and women. It has already been shown that this will not be the actual figure. In the electorates of Ascot and Swan there will also be loss of employment.

Mr. Fletcher: That will be the day when you look after the interests of members on this side.

Mr. RUSHTON: I am not looking after their interests; I am looking after the interests of the people. The honourable member should be looking after the interests of his electors, and he should be saying something on this issue.

Mr. Bickerton: I am always looking after my electors' interests.

Mr. RUSHTON: The electors of the Minister are further away. This is a vital question which we are considering. By adopting what has been proposed by the Minister we will be merely relieving one group of people of their problems, and placing those problems on the backs of another group. That is the reason the proposal of the member for Bunbury should be agreed to by all members in this House.

In putting forward his alternatives the Minister also made reference to the closing down of a country town with a consequential loss of investment and the disruption of private lives. This is a very real problem, and it is as well for us to dwell on why it has arisen. It is my belief that if this industry had been based at Northam the position would be much better today. That was preferable to setting up the industry in a satellite town. Northam has many advantages which Wundowie does not have, and an industry established at Northam would be more productive and more economic. Furthermore if it were established in Northam the people involved in the industry would have a fuller life, and today they would not be facing the prospects of the industry being closed down.



The Minister stated that the Government has invested \$1,300,000 in this industry. This shows the magnitude of the political decisions of past Governments. In referring to the borrowing powers of the industry the Minister did not mention any limit to be imposed. He might interject now and save me the trouble of proceeding further with my remarks. At this point I would ask him whether there is any limit to be placed on the borrowing powers, beyond the \$300,000 mentioned. To what extent will the Government be agreeable to the limitation of those borrowing powers? There is nothing in the Bill to indicate that there is to be any restriction; therefore in his reply to the debate I would ask the Minister for Development and Decentralisation to inform us whether there is to be a limit.

The facts as outlined by the member for Bunbury in his contribution to this debate indicate how doubtful is the proposition we have before us. The Minister should give us a clear understanding, based on facts, of what limit the State is agreeable to accept in respect of the borrowing powers. He should also indicate whether there is any way whatsoever for the Government to phase this industry out; whether there are any other alternatives; and whether by continuing with the enlargement of the industry the State will benefit—as compared with either closing it down or phasing it out.

At the present time this industry is at the crossroads. In the past it experienced a number of crises, but the people of Wundowie deserve to receive every consideration. Of course, the State is fully involved financially in this Government-owned enterprise.

**MR. GRAHAM** (Balcatta—Minister for Development and Decentralisation) [3.27 p.m.]: I am certain members will be delighted when I tell them it is not my intention to follow the example of some by endeavouring to make a marathon of the debate on a simple issue. The fact of the matter is there is an important industry—a decentralised industry—which requires additional capital in order that it may have an opportunity of survival.

If we were to follow the previous procedure adopted by Liberal-Country Party as well as Labor Governments, then allocations to this industry would be made from our loan funds. This Government feels it is a far better procedure to use the loan funds of the State for general purposes of providing water supplies, schools, hospitals, houses, and public works generally; and to place this State instrumentality on a basis somewhat akin to that of a number of other instrumentalities, such as the State Electricity Commission which has its own borrowing powers.

Mr. O'Neil: We as the previous Government did the same thing by giving them borrowing powers.

Mr. GRAHAM: That is so: This is merely a question of preserving the funds of the State, so that the money can be applied in the directions I have outlined. It is not a question of whether or not money will be made available to the industry established at Wundowie. It is a choice as to whether we want to interfere with the normal programme of public works, or to allow a decentralised industry to close down and disappear.

Mr. Williams: At what cost?

Mr. GRAHAM: We have heard a word or two of irresponsibility from the Opposition back-benchers. This industry came into being as a result of the decision of members of the Labor Party, the Liberal Party, and the Country Party; and it is an industry which has been extended through the assistance of those three political parties.

Mr. Williams: And it was supposed to make a profit of 24 per cent.

Mr. GRAHAM: This is an industry which the previous Government sought to dispose of, but found that the industry was necessary and it accepted the position of having to take the industry back under its wings.

Mr. Williams: It could not give the industry away!

Mr. GRAHAM: This is an industry in respect of which the Liberal-Country Party Government wrote off the best part of \$2,000,000; and this is an industry which started operations in the foundry business, under the inspiration and assistance of a Liberal-Country Party Government. We now have a junior member of the back bench seeking to destroy this industry, which means so much to the State.

Mr. Williams: I did not say I wanted to destroy the industry. The Minister should quote me correctly. I want the Minister to justify what he is saying.

Mr. GRAHAM: I am aware of the fact that the member for Bunbury did not actually say he would destroy the industry, but that, in effect, is what he seeks to do.

Mr. R. L. Young: How?

Mr. GRAHAM: What about giving me a chance. We now have a member who knows nothing about the matter but who makes an interjection of one word and, thereby, thinks he has made a worthwhile contribution.

I am expected to accept the thoughts and charges of the member for Bunbury on this matter. The honourable member has placed an amendment on the notice paper which does him less than justice, and casts a serious reflection on some of the most highly qualified and experienced

officers in the Public Service. I intend to tell the member for Bunbury one or two things in connection with those officers so that he and other members might reach a decision as to whether we should be influenced by the member for Bunbury or by those who know something about the subject.

Mr. Williams: I hope the Minister will tell us about the feasibility study and answer the points I raised.

Mr. GRAHAM: Let me say, in the first instance, the feasibility study was undertaken by Mr. Constantine, who is the general manager of the Wundowie industry and who is a highly qualified engineer. He has been continuously engaged in the industry for many years, and is more familiar with the marketing problems of the type of industry conducted at Wundowie than would be any consultant who has not been engaged in charcoal iron production and marketing.

Mr. Williams: Of pig iron, yes.

Mr. GRAHAM: He is a man who has had tremendous experience in Australia, and he has followed this interest and made inquiries overseas. His submission went to the board of the Wundowie Charcoal Iron and Steel Industry and I ask: would that industry comprise people who "would not know what they are talking about!"

Mr. Williams: I did not say that.

Mr. GRAHAM: Another member is the Deputy Co-ordinator of the Department of Development and Decentralisation who has had something to do with many hundreds of industries on behalf of Governments of both political shades. The chairman of the board is Mr. A. C. Harris, an ex-Conservator of Forests who is both academically and technically qualified in the particular process employed at Wundowie and who has been associated with this industry from its inception. Here let me say it is unlikely that there is anybody in a private consultative capacity who could match Mr. Harris' particular knowledge of the special problems of the industry.

Another member is Mr. Peter Butterworth who has had extensive engineering experience with both foundry and production work. He is a well-known and highly-respected businessman and engineer who has been associated with the industry since its inception—as far back as 1945. He is a past president of the Institution of Engineers of Australia, and he is still on the boards of such well-known private industries as Flower Davies & Johnson, and Evans Deakin Ltd. He was general manager of the foundry operations of the State Engineering Works, general manager of George Kent, a foundry industry, and later of Saunders & Stewart and Atlas Engineering—another foundry industry. He has been closely associated

with all classes of foundry work. He was on the board of Chamberlain Industries, which included a foundry. I suppose one could conclude that the member for Bunbury thinks he has a knowledge superior to that of the men I have mentioned.

It is interesting to read a statement from correspondence between Mr. J. R. Ewing and the chairman of the charcoal iron industry. Incidentally, Mr. J. R. Ewing would be known to many members, and he is the Treasury board member of the charcoal iron and steel industry. The Under-Treasurer had a look at the proposition and made some comments which influenced me far more than anything that has emanated from the member for Bunbury. He had the following to say:—

I believe that State investment in the town of Wundowie and the employment provided by the Charcoal-Iron and Steel Industry are such as to require support of the proposal to expand the foundry by the introduction of an automatic moulding process.

3. As the alternatives to expansion of the plant are to close down the Industry or the payment of large annual subsidies from consolidated revenue, I would recommend approval of the proposal which has the support of the Minister for Development and Decentralisation.

At this stage I want to interpolate and say that if no loan funds were made available to this industry it would have an impact on the State Treasury of \$300,000 a year—that is, without considering the future. The Under-Treasurer (Mr. Townsing) continued—

4. In order to give effect to the proposal, the Board seeks a capital allocation in 1972/73 from the Treasury of \$700,000 and also overdraft accommodation to finance losses pending the plant reaching full production.

5. As you know, the Government is in no position to view with equanimity an outlay on Wundowie of \$700,000 in 1972/73 from its scarce capital resources and for this reason I would propose an amendment to the Wood Distillation and Charcoal Iron and Steel Industry Act to give the Board borrowing powers.

Mr. Townsing goes on to say that assuming the Act is so amended this could be done over a period within the requirements of the Loan Council so that in the course of a very short time the necessary funds would be made available to allow this industry to be placed on a reasonable basis.

That is the proposition, but we have had some extraordinary observations from the member for Mt. Lawley. Judging from the employment figures he has quoted he seems to think there will be some disastrous impact on the industry generally. He

seems to think that the industry at Wundowie consists of nothing but a foundry. Apparently he is unaware that the figure of 400 embraces employees who work in the forests and the sawmills, and those who are responsible for the chemical extracts, for the wood charcoal, for the pig iron, and all the other operations which are carried out there in addition to the foundry. Those employed in the foundry are comparatively few when compared with those employed in other sections of the industry at the present time.

Mr. Williams: The employment situation regarding people connected with the production of pig iron will be severely affected because of the information I referred to regarding synthetic iron, and the quality of blast furnace iron.

Mr. GRAHAM: We can let our fancy run riot if we like to.

Mr. Williams: That is not fancy; that is fact.

Mr. GRAHAM: We are discussing an integrated industry which has many facets, and according to those who are in the best position to know, it requires the enlargement of a particular aspect of its activities in order that it shall survive. Naturally enough, nobody can say for sure, other than make a wild guess. No-one can say what share of the market will be obtained by the industry. Nobody knows what the demand is likely to be next year or the year after. This is a proposition which seeks to obviate the necessity for the Government subsidising losses so that the industry has an opportunity to survive under its own steam, and within its own efforts.

Mr. Williams: Can the Minister justify the grinding media and the steel works?

Mr. GRAHAM: I have no intention whatsoever of justifying anything of the sort.

Mr. Williams: And no-one else can either.

Mr. GRAHAM: I do not intend to endeavour to discuss details and technicalities of certain processes. That is something which is completely beyond the role of a member of Parliament.

Mr. Williams: Just because you do not understand it you feel that nobody else should.

Mr. GRAHAM: I am afraid the member for Bunbury is endeavouring to impress this House, though he is certainly not impressing me.

Mr. Williams: I would expect that sort of comment from you.

Mr. GRAHAM: He is endeavouring to impress the House that he has some detailed or particular knowledge of the process in question. If we were discussing the matter of establishing a power station in some centre would anybody suggest it would be common sense for one member or another on one side of the House or

the other to go into the question of all the detailed and technical processes that may be a necessary part of it?

Mr. Williams: I did not start on the technical processes.

Mr. GRAHAM: I do not know what the honourable member started on, though he does give the impression that he has embarked upon a life excursion which indicates that it is not his desire to face up to this situation: that it is necessary for the State to take some action in accordance with the best advice available to the Government to enable the industry to survive, or should we make a heavy impact upon the loan funds of the State; or should the Government subsidise this industry heavily from its revenue; or does the member for Bunbury and others of his ilk desire that this industry should go out of commission entirely? I refer not only to its foundry activities but to everything associated with it, because the purpose of the expanded foundry activity is to enable the entire industry to continue and survive and to provide employment for all the people concerned; to allow it to be serviced from all the Government services in the area; because, as I pointed out, the question of water, power, rail freights, and so on, is worth something in the vicinity of \$1,000,000 a year.

All these things are important. The Bill constitutes a move to retain and make possible a future for this industry.

Mr. Williams: Before you sit down—

Mr. GRAHAM: I hope and trust members will adopt a responsible attitude and support this Bill as an earnest of the Government's intention to see that, in fact, the industry does survive.

Mr. Williams: Before you sit down—

Question put and passed.

Bill read a second time.

*Sitting suspended from 3.45 to 4.04 p.m.*

### *In Committee*

The Deputy Chairman of Committees (Mr. A. R. Tonkin) in the Chair; Mr. Graham (Minister for Development and Decentralisation) in charge of the Bill.

Clause 1 put and passed.

### *Progress*

Progress reported and leave given to sit again at a later stage of the sitting, on motion by Mr. Harman.

## **QUESTIONS (29): ON NOTICE**

### **1. PUBLIC BUILDINGS**

#### *Insurance Account*

Mr. MENSAROS, to the Minister for Works:

- (1) What was the balance of the public buildings insurance account for the past five years on the last day of its yearly accounting period, and which is that day?

- (2) What are the sources of revenue of the fund?
- (3) Are there premiums credited to the fund for each building insured?
- (4) Which were the single claims exceeding \$50,000 paid out from—or debited against—the fund during the past five yearly accounting periods, and to what did each amount?
- (5) How is re-insurance written for the risk of the fund and with whom?

Mr. JAMIESON replied:

\$

- |     |     |      |      |      |              |
|-----|-----|------|------|------|--------------|
| (1) | (a) | 1967 | .... | .... | 804,812.39   |
|     |     | 1968 | .... | .... | 937,306.36   |
|     |     | 1969 | .... | .... | 1,090,702.91 |
|     |     | 1970 | .... | .... | 1,273,886.28 |
|     |     | 1971 | .... | .... | 1,473,176.49 |
- (b) June 30th.
- (2) An annual contribution from Consolidated Revenue Fund and interest on the credit balance in the account.
- (3) No.
- (4) Nil.
- (5) There is no re-insurance currently written for the risk.

### 3. RENTAL AND PURCHASE HOMES

*Waiting Period and Construction*

Mr. RUSHTON, to the Minister for Housing:

- (1) What is the present delay to applications for State Housing Commission accommodation, both rental and purchase, in each zone and for each category of housing?
- (2) How many Commission homes were completed for periods—
- (a) 1st July to 31st December, 1970 and 1971;
- (b) 1st January to 31st March, 1971 and 1972?
- (3) How many units of housing, expressed for each category, are expected to be built this financial year by the Commission?
- (4) Will he give the numbers of each category of housing to be built in each separate district this financial year?

Mr. BICKERTON replied:

- (1) The following schedule shows the lodgment date for applicants who do not come within the commission's emergent criteria currently being housed in rental and purchase accommodation in the metropolitan area. In many country areas immediate assistance is available. In the remaining country areas, including the North, the waiting period varies from one to twelve months.

### 2. This question was postponed.

#### APPROXIMATE ALLOCATION DATES REACHED METROPOLITAN AREA

Area	Pensioner				High Rise Flats				Rental				Purchase			
	1 b/r	1 b/r	2 b/r	3 b/r	Houses 2 b/r	Flats 2 b/r	Houses 3 b/r	Flats 3 b/r	Houses 4 b/r	Houses 5 b/r	3 b/r	4 b/r	3 b/r	4 b/r		
Perth—North....	Oct. 69	Apr. 71	Feb. 72	Feb. 72	Apr. 70	July 71	Aug. 69	May 71	Aug. 68	....	Mar. 68	Oct. 67				
South....	Oct. 69	June 67	Feb. 72	....	Apr. 69	Jan. 71	Feb. 68	June 70	June 68	....	Feb. 68	Oct. 67				
Fremantle ....	July 70	Mar. 68	....	....	Dec. 68	June 70	May 68	Dec. 71	May 68	....	Dec. 65	July 66				
Midland ....	Sept. 68	....	....	....	Oct. 70	Feb. 71	Nov. 69	July 71	Nov. 68	....	Feb. 67	Nov. 65				
Armadale ....	Mar. 70	....	....	....	Feb. 66	Jan. 72	Oct. 66	Oct. 68	....	....	Feb. 68	Dec. 65				
Kwinana ....	Feb. 71	....	....	....	Nov. 71	Feb. 72	Nov. 70	Feb. 72	Apr. 68	....	May 67	Apr. 66				

- (2) The numbers of commission dwelling units completed throughout the State were:—

- (a) 1st July to 31st December, 1970—2,057.
- 1st July to 31st December, 1971—1,478.
- (b) 1st January to 31st March, 1971—379.
- 1st January to 31st March, 1972—473.

- (3) and (4) Anticipated completions this financial year:—

	Single Detached and duplex units	Town houses	Apartmentments	Pensioner flats	Total
Metropolitan area ....	1,151	104	469	37	1,851
Country ....	130	4	88	9	237
North of 28th parallel ....	35	50	....	....	85
Total ....	1,322	248	557	46	2,173

4. **TRAFFIC***Inspectors*

Mr. O'CONNOR, to the Minister representing the Minister for Police:

- (1) How many traffic inspectors are employed by local authorities?
- (2) Of the above how many will be eligible for re-employment in the new takeover of traffic control by the police?
- (3) How many will not be eligible for re-employment in the new organisation because of—
  - (a) age requirements;
  - (b) convictions;
  - (c) other reasons?
- (4) Would a traffic inspector with a good 20 years' service in the field have some seniority or would he be placed in seniority below a policeman with a few months' service?

Mr. BICKERTON replied:

- (1) to (3) The number of traffic inspectors employed by local authorities and their personal details are not known. For the present, takeovers have been on a voluntary basis and for obvious reasons interviews have only been carried out before the takeover of a particular Shire.
- (4) The seniority of traffic inspectors taken into the Police force would apply from the date of their entry.

5. **THORNLIE, ROCKINGHAM, AND KELMSCOTT HIGH SCHOOLS***Building Costs*

Mr. RUSHTON, to the Minister for Education:

Referring to my question 17 on 2nd May regarding costs of stage one of Thornlie-Rockingham and Kelmscott high schools—

- (a) what structural differences were included, and what was their cost, in the Rockingham high school built by contract at a cost of \$565,739 and in Kelmscott high school being built at present by day labour at an estimated cost of \$651,679;
- (b) what percentage of increase in costs of building have occurred from the letting of Rockingham high school contract and the date when a contract would have been let for Kelmscott high school;
- (c) will he itemise and cost the factors which are responsible for a difference of price of \$85,940 between Rockingham and Kelmscott high schools

allowing for the extra costs of at least profit and finance charges which were included in Rockingham contract?

Mr. T. D. EVANS replied:

	\$
(a) Structural differences and cost:	
Building, structural steel .....	4,600
Site works, drainage .....	17,610
(b) 15.36% as assessed by the Public Works Department.	
(c) Site works .....	17,610
Increase in structural steel content .....	4,600
Adjustment of cost of labour, material, profit and other sundry charges .....	63,730
	<u>85,940</u>

6. **ROAD MAINTENANCE TAX***Bankruptcies: Debtors' Liabilities*

Mr. R. L. YOUNG, to the Premier:

Further to question 24 of 2nd May, 1972 and his answer that from September 1969 to February 1971 only 24 bankrupt Western Australian hauliers were road maintenance tax debtors and that road maintenance tax only represented 10.4% of all their liabilities, will he now agree that road maintenance tax did not contribute in a significant way to the insolvency or financial hardship of the road transport industry in this State during that period?

Mr. J. T. TONKIN replied:

No, and it needs to be remembered that in quoting the number of insolvencies, my purpose was to show that the persons concerned avoided paying road maintenance tax and going to gaol thus emphasizing the inequity which occurs when some defaulters who are unable to pay are committed to gaol.

7. **ENVIRONMENTAL PROTECTION***Cockburn Sound: Discharge of Gypsum*

Mr. A. R. TONKIN, to the Minister for Environmental Protection:

Has the Environmental Protection Authority considered the possibility of altering the situation whereby Cockburn Sound is continually being polluted by the deposition of gypsum?

Mr. DAVIES replied:

Yes. It should be understood that the company in question is permitted to deposit gypsum under the Industrial Lands (Kwinnana) Agreement Act, 1964, as follows:

"27. (1) Subject to the provisions of this clause CSBP may discharge into Cockburn Sound into water not less than eight (8) fathoms deep at low water mark up to three hundred and fifty (350) tons in any one day of gypsum being effluent from the operations of CSBP hereunder."

## 8. CHIROPRACTORS' SERVICES

### *Hospital Benefits Reimbursement*

Mr. A. R. TONKIN, to the Minister for Health:

Will he agree to making strong representations to the Commonwealth Government for the reimbursement of fees paid to registered chiropractors under the national health scheme?

Mr. DAVIES replied:

The matter has been repeatedly referred to the Commonwealth Government through Ministers' conferences and personal discussion and correspondence. The Commonwealth is adamant that it will not move in this direction.

## 9. EDUCATION

### *Taba Social Studies Course*

Mr. A. R. TONKIN, to the Minister for Education:

Does the Education Department intend introducing concepts to be found in the Taba social studies course into the social studies curricula?

Mr. T. D. EVANS replied:

Many concepts to be found in the Taba social studies course are universally accepted and some of these ideas are incorporated into the Western Australian social studies syllabus.

## 10. POLYUNSATURATED MARGARINE

### *Marking of Packages*

Mr. A. R. TONKIN, to the Minister for Health:

What steps are taken to ensure that there is correct marking of packages which are alleged to contain genuine polyunsaturated margarine?

Mr. DAVIES replied:

The matter of labelling margarine is at present under discussion by the National Health and Medical Research Council.

## 11.

## SEWERAGE

### *Designs for Building Blocks*

Mr. R. L. YOUNG, to the Minister for Water Supplies:

(1) How many individual building blocks are the subject of applications for approval of sewerage design at present lodged with the Metropolitan Water Supply, Sewerage and Drainage Board?

(2) Is it true that some applications have been awaiting approval for more than three months?

(3) If "Yes" to (2)—

(a) can he say how many more qualified checking staff would be required to bring the situation up to date and keep it that way;

(b) can he say whether extra work imposed on staff as a result of their assistance to projects undertaken by day labour, is a contributory factor in the delay;

(c) is he aware that such delays can impose considerable "holding costs" on developers thereby appreciably adding to the cost of land;

(d) what steps will he take to rectify the situation?

Mr. JAMIESON replied:

(1) It is not possible to extract this information in the time available, as numerous subdivisions of varying sizes are involved.

(2) The board has record of only one application in this category, but some applications would have been returned for amendment.

(3) (a) Staff requirements are reviewed from time to time having regard to the work load to be handled.

(b) No.

(c) Yes.

(d) Answered by (3) (a).

## 12.

## TOWN PLANNING

### *Corridor Plan: Ritter Report*

Sir DAVID BRAND, to the Minister for Town Planning:

With reference to the Deputy Leader of the Opposition's question 44 on 11th April, 1972, would he please advise if his officers have completed their studies on the Ritter report of the corridor plan?

Mr. GRAHAM replied:

No studies have been completed.

## 13. WATER SUPPLIES

*Country Towns and Outports*

Mr. HUTCHINSON, to the Minister for Water Supplies:

Which, if any, of the larger country towns and outports are expected to develop to a point where lack of potential water supplies will virtually preclude their further development?

Mr. JAMIESON replied:

None of the larger country towns or outports can be placed in such a category. May I further add that if a company required to establish an industry necessitating a large quantity of water in a inland town, this would be a totally different situation and the answer would not cover it.

## 14. WATER SUPPLIES

*Dams and Underground Sources: Capacity*

Mr. HUTCHINSON, to the Minister for Water Supplies:

- (1) Will he list in approximate order of possible future development, over the next 20 to 25 years, the potential dams and underground resources which will be used to augment metropolitan water supply and country areas linked with the Comprehensive Water Supply Scheme?
- (2) Will he provide an estimate of the capacity gallonage of water of each future source of supply?
- (3) Will he also provide a list and the capacities of the present dams and underground sources of water supply to the abovementioned areas?
- (4) Will he estimate, having regard for only minimal water restrictions, the total population that can be supported by all these sources of supply?
- (5) Does he feel that nuclear power to assist in the supply of water may have to be used before the end of the century?

Mr. JAMIESON replied:

- (1) to (4) Long range forecasting such as answers to these questions envisage could prove misleading. The water supply situation must be reviewed regularly to meet changing circumstances including changing demands for domestic, industrial and irrigation supplies and changing technological and cost structures which affect the possibility of use of surface waters, of underground waters and of desalination. As part of the functions of the Public Works Department and the Metropolitan Water

Board investigations are being carried out continually with a view to meeting future demands wherever they may exist.

(5) Answered by (1) to (4).

## 15. LAW REFORM COMMITTEE

*Members, Employees, and Annual Report*

Mr. R. L. YOUNG, to the Attorney-General:

- (1) Who are the members of the law reform committee?
- (2) How many employees are paid out of the law reform committee trust account and what are their present salary ranges?
- (3) Is an annual report of the committee required to be tabled in Parliament?

Mr. T. D. EVANS replied:

- (1) C. Langouant, Chairman. Senior Assistant Crown Solicitor (Advicings) Crown Law Department.

E. J. Edwards, Professor, Law School, University of W.A.

B. J. Rowland, Solicitor in private practice.

- (2) Four.

	Salary Range	Present Salary
	\$	\$
1	14,370	14,370
1	11,140-11,625	
	-12,150-12,670	12,670
1	6,650-7,090-	
	7,565-8,306-	
	8,506-8,975	7,090
1	3,650-3,755	3,755

- (3) No.

## 16. WATER SUPPLIES

*Plan for Future Requirements*

Mr. HUTCHINSON, to the Minister for Water Supplies:

Does he consider that a special form of investigation or inquiry should be made into the general matter of water supply planning for the future?

Mr. JAMIESON replied:

No.

## 17. WIMBLEDON AND RUPERT STREETS, KENWICK

*Realignment and Improvement*

Mr. HARMAN, to the Minister for Works:

As Wimbledon and Rupert Streets, Kenwick, are the subject of a realignment of Albany Highway and at present are below standard, will he advise when it is proposed to commence work on the proposed realignment?

Mr. JAMIESON replied:

The existing Albany Highway will be adequate for traffic for many years and therefore no high priority can be given to the Wimbledon Street deviation.

# 18. HOME BUILDERS ACCOUNT

## *Applicants: Selection*

Mr. RUSHTON, to the Minister for Housing:

- (1) How are State Housing Commission applicants selected to purchase homes with State home builders account funds?
- (2) Are S.H.C. applicants interviewed to ensure they will qualify for building society or Rural and Industries Bank home builders account funds before they are invited or influenced to participate in this new policy?
- (3) What would be the difference in the monthly repayments from a purchaser obtaining a loan of \$11,210 for maximum period from the S.H.C. and one provided from funds allocated from the home builders account through a building society?
- (4) Does a S.H.C. applicant who has been influenced to apply for home builders account finance through a building society or the Rural and Industries Bank obtain an advantage in regard to choice and priority over the applicant obtaining a S.H.C. loan?

Mr. BICKERTON replied:

- (1) All applicants on the commission's purchase list, with the exception of those whose turn is nearly reached, are being written to and invited to participate in a purchase scheme developed and operating in consultation with the building societies, using funds provided from the State Home Builders' Account.
- (2) Those who express interest in participating are interviewed by a commission officer to ascertain relevant information, prior to examination of their financial capacity by a screening committee. At no time are they influenced to participate in the scheme.
- (3) The monthly repayment on a loan of \$11,210 under commission conditions for a term of 45 years would be \$64.50. The comparable monthly instalment on a loan through a building society using state home builders' funds would be \$72.35, however the maximum loan under this scheme is \$11,000.

- (4) No applicant is influenced. He is given a detailed explanation of the scheme and makes his own choice as to whether he proceeds or waits till called up for State Housing Commission assistance.

# 19. PURCHASE HOMES

*Applicant: File No. 2909/68*

Mr. RUSHTON, to the Minister for Housing:

- (1) Is it a fact applicant, file No. 2909/68, has been an applicant for a S.H.C. purchase home since February, 1968?
- (2) Is he aware that this applicant who was invited or influenced to obtain a loan through this new scheme—
  - (a) was offered a selection of homes by the Commission;
  - (b) selected a home at lot 44 Broadly Place, Gosnells sale price \$11,210;
  - (c) sought a loan from four organisations nominated by the Commission;
  - (d) was advised the maximum term which could be granted him was 13 years with monthly repayments of \$95;
  - (e) is obviously unable to avail himself of this finance through a building society;
  - (f) has been told by the commission it now does not know when it can offer him a purchase home south of the river?
- (3) Is not this applicant disadvantaged under this new policy?
- (4) Is he aware that this applicant was advised when interviewed by the State Housing Commission that he would be able to obtain a building society loan and has sponsored his mother-in-law from England who is expected to arrive in Western Australia during this month?
- (5) In view of the imminent serious accommodation situation of the applicant through circumstances beyond his control and because of the assurances previously given to the Member for East Melville in answer to questions on this issue, will he please ensure this applicant receives help by the commission to obtain immediately his purchase home selected?

Mr. BICKERTON replied:

- (1) to (5) The various points raised have been noted, and the member will be advised in writing of what action will be taken.

20. *This question was postponed.*



21. **BUSSELTON POLICE STATION***Inadequate Accommodation*

Mr. BLAIKIE, to the Minister representing the Minister for Police:

- (1) Is he aware of the working conditions at the Busselton police station?
- (2) Should police take over country traffic control, is it expected that additional officers will be stationed at Busselton, and, if so, how many?
- (3) As working conditions have been overtaxed since police traffic control of the Shire of Busselton has his department made definite proposals to build new facilities?
- (4) If (3) is "No" when is it anticipated that these adverse conditions will be rectified?

Mr. BICKERTON replied:

- (1) Yes.
- (2) No.
- (3) Yes.
- (4) Answered by (3).

22. *This question was postponed.*

23. **COMMONWEALTH AID  
ROADS FUND***Quota*

Mr. McPHARLIN, to the Minister representing the Minister for Transport:

- (1) Under section 8 subsection 3 of the Commonwealth Aid Roads Act 1969, has the State collected an amount in excess of the quota in the years 1969-70, 1970-71 and estimate for 1971-72?
- (2) If "Yes" what is the amount of the quota credit?

Mr. JAMIESON replied:

- (1) Yes.
- (2) \$854,000. However, to 30th June, 1972, it is estimated that the State would have collected \$8,182,000 in excess of the quota for the three years. From these funds the Main Roads Department has had to meet expenditure not acceptable to the Commonwealth as "road expenditure", and has also funded essential stores and materials suspense accounts previously financed from Commonwealth funds.

24. **TIMBER***Imports*

Mr. BLAIKIE, to the Minister for Development and Decentralisation:

- (1) Does the Government view with concern the amount of timber importations to Western Australia?

- (2) Is it the intention of the Government to make representations to the Commonwealth Government in order that the Western Australian timber industry will not be disadvantaged by the importations?

Mr. GRAHAM replied:

- (1) and (2) Timber importations into Western Australia fall into two categories—logs and billets—from species which have unique characteristics which facilitate their use in local factories producing such products as plywood, veneer, chip-board, special quality and light weight furniture, etc.

The Government accepts that these imports are necessary if our secondary industries are to be competitive with Eastern States and overseas manufacturers.

The second category is timber for use as scantling, and the Government sees no reason, other than price, why this class of timber is imported.

However, it would not give consideration to initiating any action in an attempt to influence the Commonwealth to limit imports unless requested to do so by a representative group of the industry as a whole, and any decision would have to have regard to the possibility of damaging the State's trading relationships with the countries supplying the timber.

25. *This question was postponed.*

26. **ALUMINA REFINERY AT  
UPPER SWAN***Environmental Protection Report*

Mr. O'CONNOR, to the Minister for Health:

As the Environmental Protection report on Pacminex states "The principal gaseous effluent from fuel oil is sulphur dioxide" and "Gaseous emissions from smoke stacks comprising mostly sulphur dioxide"—

- (1) Are these statements factual in view of the comments that—
  - (a) there will be no discernible smoke from chimneys; and
  - (b) the principal gaseous effluents from them will be atmospheric nitrogen, carbon dioxide and water vapour with sulphur dioxide present in less than 0.5% proportion?

- (2) In view of the report stating: "Microclimate of the Chittering area" and relates this to air pollution alerts as being seven times more frequent than at Kwinana, does he feel—

- (a) the term microclimate is inapplicable to a large area such as that around Chittering of mixed surface characteristics;
- (b) microclimates have no direct connection with pollution alerts from the Bureau of Meteorology;
- (c) such pollution alerts are not localised to specific neighbourhoods but would be general for the whole of a large area of the Perth coastal plain to comprise both Upper Swan and Kwinana?

- (3) If he has any doubts will he seek clarification from the Director of Commonwealth Bureau of Meteorology in Perth and table such report?

- (4) Will he seek verification from the Minister for Mines of a statement in the report that the drainage of underground water into aquifers is in a southerly direction as it is understood that the hydrological section of the geological survey may not be in agreement with the report on this matter?

Mr. DAVIES replied:

- (1) to (4) I have stated previously on the 29th March and the Deputy Premier has also stated that because discussions are continuing with the joint venturers in this project, it is not considered desirable to discuss publicly the technical pros and cons of the E.P.A. report on the Alumina Refinery (Upper Swan) Agreement Act, 1971.

However, it does appear appropriate in response to question (1), which has received considerable publicity, to put it into appropriate perspective as was done by Dr. O'Brien in a letter to the Shire Clerk of the Swan Shire Council, as follows:—

"Another point which has been claimed to be a technical error in the authority's report, is that it stated that from fuel oil, the principal gaseous effluent is sulphur dioxide. In fact, of course, because the report pertains

to environmental matters, as Parliament directed, this statement in the report is accurate. The principal gaseous effluent from an environmental protection point of view is definitely sulphur dioxide and the other emissions can be largely neglected, being normal, innocuous gases.

The word "principal" as defined in the *Concise Oxford Dictionary* means 'first in rank or importance' or 'chief'. The example is given—their principal food is potatoes; the principal town of the district; the principal persons concerned' and so on. The authority, in reporting on environmental aspects of air pollution maintains the position that with this dictionary definition of the word "principal" the report contains no such technical error whatsoever. To criticise the report on such specious grounds indicates a lamentable understanding of the English language. The principal of a high school might be rather upset if the use of that title was objected to because he is only one individual out of perhaps 100 teachers".

## 27. ROAD MAINTENANCE TAX

### *Collection and Distribution*

Mr. WILLIAMS, to the Minister representing the Minister for Transport:

- (1) What moneys have been collected as road maintenance tax from 1st July, 1971 to 31st March, 1972?
- (2) What amounts of road maintenance tax are outstanding for each year from 1967-68 to 31st March, 1971?
- (3) What distribution of road maintenance tax has been allocated to each local authority from 1969-70 to 31st March, 1971 in the country and metropolitan areas?

Mr. JAMIESON replied:

- (1) \$2,904,808.39.
- (2) The amount outstanding at 31st March, 1972, could be ascertained, if required, in the course of a day or two.

However, figures extracted on 7th April, 1972, showed a total of \$488,040.97 outstanding. To segregate what portion of this relates to past years or to extract figures as at specified dates in past years

would entail several weeks of research for which staff is not available at the present time.

- (3) The answer to this question is set out in a tabulated statement which, with permission, I will table.

*The statement was tabled.*

## 28. TRAFFIC

### *Fatal Accidents, and Police Control in Country Areas*

Mr. FLETCHER, to the Minister representing the Minister for Police:

- (1) What number of passenger carrying vehicles have licenses relating to—
  - (a) the metropolitan area;
  - (b) the country area?
- (2) What has been the relative numbers of—
  - (i) fatal accidents; and
  - (ii) the total number of fatalities involved in—
    - (a) the country; and
    - (b) the metropolitan area,
 for each of the last five calendar years to end of December 1971?
- (3) Has there been any decrease or increase in fatal accidents in any country district or districts where police are now in control of traffic?
- (4) If so, will the Minister give relative figures or information to illustrate the improvement or otherwise, if any?
- (5) Am I correctly informed that personnel who were previously wearing traffic inspectors uniforms are now enjoying greater respect in police uniform in their control of traffic in country areas?
- (6) Am I also correctly informed that there has been a noticeable improvement in drivers' respect for speed zones and other traffic by-laws and regulations in the Busseton area since police takeover of traffic in that locality?
- (7) Can this be related to other areas now under police supervision?
- (8) If so, will cases be given?

Mr. BICKERTON replied:

- (1) At 30th June, 1971—
  - (a) 235,503.
  - (b) 95,458.
- (2) (i) Fatal accidents—
 

	Country	Metropolitan
1967	125	111
1968	164	145
1969	152	153
1970	175	151
1971	161	141

## (ii) Fatalities—

1967	148	112
1968	183	155
1969	168	155
1970	195	167
1971	185	152

- (3) and (4) Figures are not available over a long enough period to be statistically significant.
- (5) Reports received indicate their authority is more readily accepted by the public.
- (6) to (8) This is believed to be so, but it is difficult to substantiate by facts.

## 29. TRAFFIC CONTROL

### *Bridgetown, Boyup Brook, and Manjimup*

Mr. REID, to the Minister representing the Minister for Police:

- (1) (a) What was the cost of local traffic control in the Bridgetown and Boyup Brook local government areas for the year ended 30th June, 1971;
  - (b) how many traffic inspectors are employed;
  - (c) what mileage has been covered in patrol work for the year ended 30th June, 1971;
  - (d) how much revenue has been obtained for the shires from prosecutions arising from breaches of the Traffic Act?
- (2) How much revenue was obtained by the Manjimup Shire Council from traffic prosecutions in the 12 months period prior to handing over to the Police Department in September 1970?
- (3) (a) How many patrol men are employed on traffic duties at Manjimup;
  - (b) what distance did they travel on duty in the past 12 months;
  - (c) how much revenue was raised through breaches of traffic regulations in the past 12 months?

Mr. BICKERTON replied:

- (1) Not known.
- (2) Period 1st October, 1969 to 30th September, 1970—\$4,453.
- (3) (a) All eight constables at Manjimup are detailed to carry out traffic patrols and other traffic duties at various times. No one member is engaged continuously on traffic duties.
  - (b) 42,170 miles (traffic duty).
  - (c) \$5,417.

**QUESTIONS (7): WITHOUT NOTICE**

**1. WATER SUPPLIES**

*Dams and Underground Sources: Capacity*

Mr. HUTCHINSON, to the Minister for Water Supplies:

As his answer to question 14 is most unsatisfactory to me and to many others and invites a motion for the appointment of a Select Committee or something of this kind, will he regard his answer to question 14 as being prefatory information, and try to give me a list of the dams and sources of water supplies that are likely to be used in the future, with some basic information about each one? Surely that is the least I can expect!

Mr. JAMIESON replied:

If the honourable member requires any particular information I will endeavour to obtain it, but he is asking for a forecast 20 to 25 years hence. This would make the answer very comprehensive.

Mr. Hutchinson: You told me that in giving your answer to question 14.

Mr. JAMIESON: I know I did, and I am repeating it by way of emphasis. If the honourable member wants specific information on rivers and other sources of water supplies, this has all been given in recent times during the currency of the present session, but other than being able to generalise, the position becomes difficult; because if by some means, in the next 10 or 20 years, a cheap method of desalination of water becomes available, the Government will certainly see fit to use it.

**2. HOSPITALS: CENTRAL LAUNDRY**

*Sources of Finance*

Mr. RUSHTON, to the Minister for Health:

- (1) What are the sources of finance to build the proposed \$4,000,000 hospital central laundry?
- (2) How much does each hospital board or organisation contribute by way of borrowing power towards the borrowing programme for this laundry?
- (3) Have any of the hospital boards or organisations offering their borrowing powers had building programmes in the past two years, or this year, financed by Government funds?

- (4) If yes, which were the hospitals and the individual amounts?

Mr. DAVIES replied:

- (1) to (4) As the information in answer to this question has not come forward I ask the honourable member to place his question on the notice paper.

**3. WATER SUPPLIES**

*Dams and Underground Sources: Capacity*

Mr. HUTCHINSON, to the Minister for Water Supplies:

Further to his answer to my question without notice, will the Minister request his departmental officers to supply me with a list—as outlined in question 14 on the notice paper—to the best of their ability and without prejudice, having regard for the fact that I have asked for a list of the capacity of present dams and the possible future development of potential dams?

Mr. JAMIESON replied:

In order that we may get the list as requested, if the honourable member places his question on the notice paper we will be able to supply it.

**4. MEAT INDUSTRY STRIKES**

*Action by Government*

Mr. McPHARLIN, to the Minister for Agriculture:

As strikes by meat industry employees cause serious economic losses—

- (1) What action has been taken by the Government to resolve the strike at the Robb Jetty meatworks?
- (2) If a penalty rate has been agreed to, will this be met by a Government subsidy?
- (3) If not met by Government subsidy, will it be passed on?
- (4) If it is passed on, what will be the extra cost?

Mr. H. D. EVANS replied:

I thank the honourable member for some notice of this question, and advise as follows:—

- (1) to (4) This is a matter for the Industrial Commission and management. The men have gone back to work on the basis of an agreement with management and the understanding that the matter in dispute will be raised before Mr. Commissioner Cort.

## 5. MEAT EXPORTS

*Restrictions*

Mr. McPHARLIN, to the Minister for Agriculture:

It was reported in *The West Australian* of the 3rd May, 1972, that Mr. J. P. Wilson, the Chief Veterinary Officer of the Department of Primary Industry, said that "Australian exporters would have to be prepared for more restrictions on the slaughter and export of meat."

- (1) What are the restrictions referred to, and are investigations being made?
- (2) What impact will this have on Western Australian exports?

Mr. H. D. EVANS replied:

I again thank the honourable member for prior notice of this question, and the reply is as follows:—

- (1) Mr. Wilson was referring to the requirements of the United States and European community markets which are currently under discussion at Commonwealth level.
- (2) This will depend upon the precise nature of the final requirements.

## 6. IRON ORE AGREEMENT

*Mount Bruce: Tabling of Plan*

Mr. GRAHAM (Minister for Development and Decentralisation):

Yesterday the member for Darling Range asked a question about laying on the Table of the House a plan in regard to which it was suggested I made some mention when introducing the Iron Ore (Mount Bruce) Agreement Bill. It was in respect of a clause in which a plan "A" is mentioned. In response to the request of the honourable member, and with your permission, Mr. Speaker, I present the plan for tabling.

*The plan was tabled.*

## 7. THORNLIE, ROCKINGHAM, AND KELMSCOTT HIGH SCHOOLS

*Building Costs*

Mr. RUSHTON, to the Minister for Education:

Could he give some qualification to the answer he gave to paragraph (c) of question 5 on the notice paper, wherein he stated that the adjustment of cost of labour, material, profit and other sundry charges would amount to \$63,730?

As I understand it, it does not include a factor for profit, and this seems to be the other way around. Would the Minister look at it quickly and answer my query, or will he study it and let me know at a later date?

Mr. T. D. EVANS replied:

I suggest the member for Dale crystallise his question and place it on the notice paper after which it will be considered.

STATE TRADING CONCERNS ACT  
AMENDMENT BILL*Message: Appropriations*

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

WOOD DISTILLATION AND  
CHARCOAL IRON AND STEEL  
INDUSTRY ACT AMENDMENT BILL*In Committee*

Resumed from an earlier stage of the sitting. The Deputy Chairman of Committees (Mr. A. R. Tonkin) in the Chair; Mr. Graham (Minister for Development and Decentralisation) in charge of the Bill.

Progress was reported after clause 1 had been agreed to.

Clause 2: Section 20A added—

Mr. WILLIAMS: Firstly I wish to inquire about the borrowing powers to be conferred on Wundowie. The member for Dale in his second reading speech referred to the limitations to be placed on the industry in respect of the maximum borrowing power conferred under this clause. What will be the limitation? To me it appears the industry has been given a blank cheque. If it is entitled to raise more than \$300,000 a year under this Bill, I propose to move an amendment to insert after the word "money" in line 10 the words "not exceeding \$300,000 in any one year."

Mr. GRAHAM: Under this Bill the Wundowie industry would be on exactly the same basis as other Government instrumentalities; namely, it would borrow whatever funds were required, subject, of course, to the approval of the Government which would be advised by the Treasury Department.

Mr. Williams: Over \$300,000 if required, but subject to the Treasury?

Mr. GRAHAM: No. It is not able to go beyond \$300,000 in any one year at present because of the limitation imposed by the Commonwealth. Obviously, however, if it were not for the Commonwealth limitation, then if \$500,000 were required by this or any other instrumentality for a particular reason, subject to the approval of the Government on the advice

of the Treasurer, that instrumentality would be permitted to borrow that \$500,000. Firstly, this provision contains nothing new or novel; secondly, one would expect the Government, irrespective of its political colour, to have a sense of responsibility; and, thirdly, nothing whatever prevents a Government, if it has plenty of loan funds available to it from the normal Loan Council allocations, setting aside \$300,000 or \$3,000,000 if it thinks the industry in question requires it. Therefore if we set a limitation which, in the circumstances, might be completely unreal, we would be creating a difficulty and perhaps reflecting somewhat upon the Government of the day in whatever year.

Having said that I assure the honourable member and others that the Government has not any grandiose schemes. It has no idea of going beyond this amount. Incidentally, the proposition embodied in the Bill is not one proposed by me as the responsible Minister, but is one submitted by the Under-Treasurer of the State having regard for the condition of our loan funds and the fact that invariably these are insufficient. He had the proposition before him from me through his responsible Minister that if the works were not to be closed down then an annual deficit estimated at over \$300,000 a year would have to be met somehow. His suggestion was that an amendment be made so as not to interfere with the ordinary works programme of the Government.

Mr. Williams: What happens if the industry continues to make a loss of over \$300,000? How would it be financed?

Mr. GRAHAM: The losses are in respect of the revenue account and have no bearing on the loan funds. Obviously a loan would not be floated for the purpose of funding a deficit. That would be an impact on the Treasury in the normal way.

Mr. WILLIAMS: I thank the Minister for his answer to my query. I now move an amendment—

Page 2—Add after subsection (3) the following new subsection to stand as subsection (4):—

- (4) Money borrowed under the provision of this section, shall not be utilised for the purposes of expenditure of a capital nature, until a feasibility study of the purpose for which the expenditure is proposed, has been carried out by recognised management and marketing consultants, in conjunction with, officers of the Public Service of the State, experienced in industrial development, and the study has been presented to the Minister and laid before each House of the Parliament.

After the Minister's second reading reply I believe even more than before that this amendment is essential. The feasibility study available on this industry does not stand up to scrutiny. I was a bit surprised the Minister cast aspersions at me personally about my reflecting on officers of the Wundowie board. I thought I had made it quite clear that I was not doing this. The Minister could not answer my queries regarding the figures, but I do not blame him for this because he did not have first-hand knowledge of the matter nor the figures before him, and he would not necessarily know the position of the industry in Western Australia.

I am even more determined now that this amendment be passed because this industry has consistently lost money over the last 22 years. I have some knowledge of the industry, and judging by the feasibility study which the Minister was good enough to make available to me, the industry will continue to lose money. I cannot for the life of me understand why the Minister would object to having someone else, independent of the people on the board of the industry, to study the market situation.

Of course, in order to carry out such a study, the industry and the plant must be investigated.

I am moving the amendment only in relation to expenditure of a capital nature. If the company wishes to go ahead with maintenance, and so on, it can raise money for this purpose or use its own funds.

The Minister did not say a word about the effect this Bill will have on private enterprise. It must be remembered that this is not a normal Government department but operates in the general field of trading. It could not be compared with the State Electricity Commission, for instance, which is the sole supplier of power and does not compete with anyone else. However, Wundowie is a State-run concern competing on the open market and it has a distinct advantage over its competitors. It has a 20 per cent. advantage.

Before any expansions of a capital nature are carried out, an independent body should make a study of this situation and ascertain whether markets are available; because the figures supplied by the board cannot be justified. The figures regarding cypebs and grinding media do not stand up to scrutiny, as I have ascertained by inquiries. On page 26 of the feasibility study it is stated that the sales for cypebs will be \$90,000, for grinding media, \$250,000, for engineering castings, \$144,000, and for foundry scrap, \$33,000, which gives a total turnover of \$517,000 from the disamatic moulding section in the first year.

As I said, the cylpebs are being produced at the present time in this State and if Wundowie is to compete on the same basis as private industry it will be battling, likewise with the grinding media. Presuming the industry does not get these, its sales for 1972-73 would be reduced by \$340,000 and its total sales on that particular section would be \$177,000, or one-third of the forecast amount. On the other hand, if the industry does compete and does get the work, and puts these other people out of the production field, what will occur to the workers who are retrenched in private industry? I hope the Minister will agree to this amendment because it is a safeguard. It must be included when we have a State concern competing with private industry with the State concern having a very large edge—about 20 per cent.—on private enterprise.

If the Minister does not like the words at the end of the amendment—"and laid before each House of the Parliament"—I am quite prepared to drop them off. Once something is laid upon the Table of the House it becomes public and I realise this could give competitors the opportunity to see what is going on. For this reason I would be quite prepared to finish after "presented to the Minister" if the Minister objects to the words I have mentioned. Of course I would prefer to see it laid upon the Table of the House, but that may not be possible. Perhaps the Minister, when he speaks, could give me some indication as to whether he would be satisfied if I drop the last few words from the amendment.

**Mr. GRAHAM:** The amendment is not acceptable, even with the deletion of the last few lines as indicated by the member for Bunbury. Apparently he is having second thoughts and realises that his amendment goes too far altogether. As he rightly says on this occasion—I am happy to agree—it would be completely wrong for the Wundowie iron and steel industry to be compelled to lay its cards on the table and make them available to other people with whom it is competing in business.

The honourable member suggested that inquiries should be made outside. I draw the attention of the Committee to what I stated earlier: the people concerned have the highest qualifications, very long experience of this industry, and would know the requirements at Wundowie. These same people have, over the years, advised Governments—whether they be Labor or Liberal in content—and it is proposed that exactly the same procedures shall be followed. No new issue or principle is created merely because a different process is to be employed in the raising of funds. Why is this impediment—this delaying factor—sought?

The member for Bunbury said something about my reflecting somewhat on him and I suggest that perhaps he is a little sensitive. I shall read a report from the industry itself which was sent to me by the chairman of the charcoal iron and steel industry. It refers to this amendment. He deals firstly with the matter of making public all the detailed business affairs of the Wundowie industry and then sets out the qualifications of those who sit on the board. He goes on to say—

It might be pertinent to add that an amendment of this kind could quite easily be interpreted by the gentlemen I have mentioned—

That is, the members of the board. To continue—

—as being a vote of no confidence in their ability and if they are to be subject to this sort of direction as well as that of the Treasurer and the Minister then, although I cannot speak for them, I believe they would have every justification in asking to be relieved of their appointments because, after all, they carry this heavy responsibility for very little remuneration and as an extra duty on top of already demanding occupations.

I do not know where it would be possible to obtain people better qualified than those I outlined earlier on. I do not know what would be achieved by the honourable member's proposal. In other words, there would be no purpose in adopting this procedure. Why introduce it now? The procedure determining this matter from the beginning has been that the board makes a request to the Minister who, if he agrees, passes it on to the Treasurer and ultimately, of course, the Under-Treasurer. It is proposed that there shall be no alteration, but this state of affairs shall continue.

The amendment would make it cumbersome and delaying. Frankly I cannot see any merit whatsoever in the suggestion and I hope and trust the Committee agrees with me in rejecting it.

**Mr. WILLIAMS:** I am a little surprised at the Minister's attitude in connection with the piece he quoted from the remarks of the chairman of the board at Wundowie. I cast no reflection whatsoever on board members. The Minister said that the same people have advised this Government and previous Governments over the years. This is certainly true, but the advice has been on a totally different situation. Advice has been given on the production of pig iron, which is completely different from engineering castings.

The Minister said when replying to the second reading that four years ago the industry went into the production of general engineering castings at Wundowie. This is quite true. However it was in a small way.

Others in the industry did not object although it was known that there was a price advantage in hot metal and pig iron to Wundowie. To allow Wundowie to expand on the basis of the feasibility study is simply beyond me.

The Minister has asked why we should introduce this amendment now. It is purely and simply for the reason that this represents a totally new departure for Wundowie. It will be a completely new facet of the industry for Wundowie, although I am certainly not saying that the people concerned do not have the knowledge to handle this aspect. However, I do say, as I said earlier, the work which Wundowie thinks is available simply is not there. I would like to know how far afield this survey was taken and what inquiries were made to justify the figures given, particularly for cypelbs and grinding media, in the first year. I would also like to know what inquiries were made and what firm offers have been received for the upgrading and greater production of engineering castings in the second year to 1,300 tons and, in the third year, to 2,000 tons. We must bear in mind the depressed market which is evident at the present time.

Mr. Graham: Do you realise that if we had plenty of loan funds available this matter would not come before Parliament and the point about which you are complaining would automatically be given effect?

Mr. WILLIAMS: I realise that, but as it has been brought to Parliament I have a right to ask for these things to be done. Indeed, I am happy the Minister has brought it to Parliament, because this shows he is quite prepared to lay his cards on the table, as is the board. This is good, because the matter can be aired as it is being aired at the present moment. I realise the Minister could do this without reference to Parliament but I hope any Government would take similar action, particularly as this has such a marked effect upon people in outside industry—whether private or Government—who will not be able to survive.

The Minister built up a case for decentralised industry and I am all for that, provided the taxpayer does not have to keep contributing. My submission is that on the feasibility study, as it has been presented to us, the taxpayer will keep on providing a subsidy one way or the other for this industry.

Mr. Graham: The whole idea behind the borrowing power is that it will not be a burden on the taxpayer. If the member for Bunbury considers it might be I will pay him the compliment of saying I shall refer the remarks he made earlier this afternoon to the Wundowie board to see whether there is some substance in what he has said.

Mr. WILLIAMS: That does not help me much at the moment, but I thank the Minister just the same. I believe there is simply not sufficient work to do. I am quite sincere about this, because I have made inquiries from engineering firms. As I stated during the second reading, Wundowie is basing sales on cypelbs and grinding media in the first year of production of this disamatic process. These are catered for at the present time and the firms catering for them are working at one-third or less of their total capacity.

Mr. Graham: Under the borrowing limitations it will be two or three years before Wundowie is able to take full advantage of the \$700,000 loan.

Mr. WILLIAMS: This is what worries me because Wundowie will lose more money in the two or three years before it reaches this stage and will then rely upon the possibility of contracts from the Eastern States.

Mr. Graham: There will be more money, because we want Wundowie to borrow before the 30th June, which is only seven weeks away.

Mr. WILLIAMS: Why arrange for Wundowie to borrow when the basis is airy-fairy? Why not wait and, if markets can be justified by the other people, go ahead and rush it along? There is a shortage of work in the construction field and it could be done fairly quickly.

Mr. Graham: You are reflecting on distinguished gentlemen when you talk about their ideas being airy-fairy.

Mr. WILLIAMS: Against the Minister's argument it is.

Mr. Graham: Mr. Constantine prepared that report and members of the board accepted it.

Mr. WILLIAMS: That is fair enough. I suggest the members of the board should ring Mr. Galloway. I am not pushing his barrow, but he is producing this grinding media. In this way it would be easy for the board to find out the name of the other firm. The board will find that this business is not available unless it undercuts prices to such an extent that others are put out of business. Also any increase in the usage of grinding media and cypelbs would be of no benefit because autogenous grinding will do away with grinding media. Consequently there is no future for this.

I hope the Minister will have second thoughts and, even if he is not prepared to accept the amendment, arrange for someone to have a second look before Wundowie puts its neck out. I fear this operation will put Wundowie even further behind. Instead of being \$350,000 behind, it will be \$400,000 or \$500,000 behind in no time at all.

Mr. Graham: I will back the board before the member for Bunbury.



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

## Ayes—14

Mr. Blaikie	Mr. O'Neill
Sir David Brand	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Hutchinson	Mr. Thompson
Mr. McPharlin	Mr. Williams
Mr. Mensaros	Mr. R. L. Young
Mr. O'Connor	Mr. I. W. Manning

(Teller)

## Noes—26

Mr. Bertram	Mr. Hartrey
Mr. Bickerton	Mr. Jamieson
Mr. Brady	Mr. Lapham
Mr. Brown	Mr. Lewis
Mr. Bryce	Mr. W. A. Manning
Mr. Burke	Mr. Moller
Mr. Cook	Mr. Nalder
Mr. Davies	Mr. Norton
Mr. H. D. Evans	Mr. Reid
Mr. T. D. Evans	Mr. Sewell
Mr. Fletcher	Mr. Stephens
Mr. Gayfer	Mr. J. T. Tonkin
Mr. Graham	Mr. Harman

(Teller)

## Pairs

Ayes	Noes
Mr. Court	Mr. McIver
Mr. Ridge	Mr. Bateman
Mr. W. G. Young	Mr. Jones
Mr. Coyne	Mr. May
Dr. Dadour	Mr. Taylor

Amendment thus negatived.

Clause put and passed.

Title put and passed.

## Report

Bill reported, without amendment, and the report adopted.

## Third Reading

Bill read a third time, on motion by Mr. Graham (Minister for Development and Decentralisation), and transmitted to the Council.

PUBLIC SERVICE ACT AMENDMENT  
BILL

## Second Reading

Debate resumed from the 27th April.

**SIR DAVID BRAND** (Greenough—Leader of the Opposition) [5.02 p.m.]: I feel that this Bill, which was introduced by the Premier, was designed to meet certain circumstances which apply to very few people. I am certainly not very happy about the legislation because I think in many ways it is very difficult to justify.

At one point in time I thought some limitation should be placed on the life of the Bill. We know of the difficulties which arise from time to time when senior officers, particularly, are asked to remain

on duty when their annual leave is due. This often creates some difficulty for the officer concerned also, but he is prepared to forgo his leave because he wishes to devote his attention to the job in hand. As time goes on, surely fewer people should find themselves in this position.

The Premier quoted the section which now applies but I shall remind the House of it by reading it again. The Act as it stands at present provides—

With the written consent of the Permanent Head the annual leave for recreation of an officer may, when the convenience of the Department is served thereby, be allowed to accumulate for not exceeding three years' entitlement.

One would think that three years' notice would be adequate. However, because of the peculiar circumstances, in one or two instances senior officers have been asked to remain on duty. I agree with the Premier that in the event of an officer having accumulated three years' entitlement, he should not be penalised through offering to co-operate with the Government, the Minister, or the department when that time has elapsed.

I think it is rather strange for a Labor Premier to be introducing this sort of legislation. It is not quite in line with the principle for which the Labor Party has fought for a long time. For instance, although three weeks' annual leave has been granted in awards, there are rumours that the Civil Service Association and other unions intend to press for four weeks' annual leave. Only one case can be presented for the extension of annual leave; that is, the need for rest and recuperation during that leave. Here we have a piece of legislation designed to allow officers to continue on and on, with the approval of the Minister and the permanent head of the department.

**Mr. T. D. Evans:** This is special legislation to meet a special situation.

**Sir DAVID BRAND:** Of course it is. That is the only reason for it.

**Mr. T. D. Evans:** It is not of general application.

**Sir DAVID BRAND:** It seems to me that within the next year or two it must surely become clear to every officer who is entitled to this consideration—and particularly to every senior officer—that he should take his leave as it becomes due.

I return to the point that the Labor Party and others have fought for the principle of longer holidays and rest periods in order to recuperate from the year's work. In particular circumstances, perhaps the proposed amendment could be justified. I might add that I believe the Civil Service Association did not request

this amendment and that it knew very little about it. When I made inquiries, no-one was able to give me any information about the reason for the amendment.

Mr. Hutchinson: How does it affect their campaign for four weeks' annual leave?

Sir DAVID BRAND: I have just made the point that I believe the Government is presenting an argument against an application for extra annual leave.

Although I am not prepared to suggest we vote against this measure, I feel it is one we could have done without. I think the difficulties could have been resolved by some other means. However, I hope the situation will not develop where a Minister considers that in giving approval for a senior officer to accumulate his annual leave he can keep him on indefinitely. It seems to me that after three years an officer would need to have his annual leave, and I cannot see why the Bill was introduced. Perhaps it was intended to ratify, as it were, something that had been done in the past.

During our regime, I think we, as Ministers, expected a senior officer to stay on during periods when, because of his involvement in any Cabinet decisions that were to be made, his advice would be required. Now the matter has been raised, and because of the publicity it should receive throughout the Public Service, Ministers and permanent heads should become well aware that this approval should be given sparingly—so sparingly that in a year or two there should be no need for any approvals at all.

I think from now on senior officers should set a good example to all the other members of the Civil Service in Western Australia. I am not aware of the attitude of the Public Service Board towards the amendment proposed—I did not think it was reasonable to ask—but from discussions that took place with the board when we were in office I imagine it would not readily give approval for this sort of legislation because it sets a very difficult precedent. In fact, it could happen that an officer was quite prepared to go on and on and take his leave at the end of his working life. I do not think that is desirable.

I think the Premier and his Ministers—whichever party is in Government—should urge their senior officers to set a good example by taking their annual leave when it falls due every 12 months, and ensure that everybody does likewise.

In view of what I have said, it will be evident that I am not happy about the proposed amendment. I believe it should have a limited life in order to cover any outstanding cases where there may be justification for claiming leave that has not been taken.

Mr. Jamieson: Officers below the senior officer are already covered by the Act.

Mr. O'Neil: No. The maximum that may be accumulated is three years' entitlement.

Sir DAVID BRAND: Whether or not that is so, why should a senior officer have any more right than a less senior officer to accumulate leave beyond three years' entitlement, with ministerial approval? I am quite surprised at the Minister.

Mr. Jamieson: The general principle of allowing the most senior officer to accumulate leave is the one I am speaking about. I think senior officers should be given some latitude, although not for a long term.

Sir DAVID BRAND: We do not want anybody to be penalised but it should be possible to reach a point where everybody takes his leave as it falls due, whether he be the Public Service Commissioner or the last fellow who joined the Civil Service. I think the Premier may have introduced this legislation in order to resolve certain matters that have come before him. We often found ourselves in that predicament. I hope that although this Bill will not have a limited life, the Premier made it clear to the Civil Service Association that he will not encourage the accumulation of leave beyond the three years laid down at the present time.

MR. THOMPSON (Darling Range) [5.14 p.m.]: I wish to indicate that I support the Bill but I do so with a certain amount of reservation because I believe it negates the principle for which annual leave is granted. From a study of the Public Service Regulations it will be apparent that when the regulations were framed they were oriented towards an officer taking his leave in the year in which it accrues.

Section 80 (1) (a) of the Public Service Regulations lays down that the permanent head of the department on the 1st March each year must circularise all the officers of his department advising them not only of their annual recreation leave entitlement, but also their long service leave entitlement. Within a month of that notice the officers must indicate to the permanent head the period during which they wish to take any leave due to them. Under section 80 (2) the permanent head of the department is required then to draw up a roster and advise officers when they may take their leave; that is, whether they may take it during the period for which they applied, or whether they must take it at some other period of time in order not to inconvenience seriously the working of the department. I believe that is quite reasonable and fair.

In my experience in the Public Service I found that such procedures were not rigidly followed. There were occasions on

which the permanent head of the department sent notices around to indicate that he would institute a roster system unless there was a little more rationalisation in respect of leave arrangements.

I wish to emphasise that the Public Service Regulations say that leave must be cleared in the year in which it accrues; but provision is made that an officer may accumulate leave for up to three years. I fail to see how circumstances could arise which would require any officer of the Public Service to have his nose to the grindstone for a full three-year period, so that at no time during that period is he able to take his leave. I can see that it may be possible to have an officer on duty for a period of up to two years. I think the period of three years is plenty of time for an officer to clear his leave.

The Leader of the Opposition referred to the possibility of a campaign being waged by the Civil Service Association in relation to four weeks annual leave. Indeed, the editorial in the April edition of *The Civil Service Journal* is devoted to this particular subject. I would like to read the first paragraph in order to indicate to the House the thoughts of the Civil Service Association. I quote—

It is no longer possible to refrain from expressing the deep disappointment of the Service at the apparent lack of Governmental action in respect of annual leave. The Association originally approached the Premier in August last year requesting an extension of the Public Service annual leave entitlement to four weeks.

So public servants are now agitating for four weeks annual leave. No doubt one of their arguments will be that, as a result of the increased pressure on departmental officers in these days of hustle, it is necessary for officers to have not three weeks a year but four weeks in which to recuperate and to rejuvenate themselves so that they may return to the department more effective officers than otherwise would be the case.

I fail to see how the Civil Service Association could support the provision before the House. I would have no doubt that it would support the measure inasmuch as it will restore leave to officers who otherwise would lose it. I, too, support that. I do not think an officer should lose his leave entitlement. However, I do not think we should create a situation in which forever it will be possible for an officer to accrue leave for an indeterminate period. I fail to see how that is in line with the principles of the people who represent the officers of the Public Service.

Mr. T. D. Evans: Would it interest the honourable member to know that there is a certain very senior departmental of-

ficial who, I was advised only last week, has an entitlement of leave in excess of 30 weeks? Much of that accrued leave would have been earned but not taken during the life of the Brand Government.

Mr. O'Neil: He is not entitled to take it yet.

Mr. T. D. Evans: That is the situation which arises.

Mr. THOMPSON: He should know the provisions of the regulations, more particularly as he is a senior officer. He is not in a position to plead ignorance of them because officers are supposed to be circularised.

Mr. T. D. Evans: I think you are missing the point. I understand these officers are well aware of the regulations, but they have been prepared to forego their leave in order to meet the demands of the department, or out of loyalty to the department.

Sir David Brand: I think you are in deep water now. How many senior officers made applications to take leave but were refused by the Brand Government?

Mr. T. D. Evans: I would not know.

Sir David Brand: Of course you would not.

Mr. THOMPSON: I attempted to get some information from the Premier on this point. I appreciate the difficulty of the Premier in endeavouring to answer my question in the limited time I gave him. I am sorry he was not able to answer it effectively because I am interested to know how many officers of the Public Service are in this position. I have placed a question on the notice paper for next Tuesday asking the Premier to indicate how many officers were given permission by their permanent head last year to accumulate two lots of annual leave, and how many were given permission to accumulate three.

I ask the Premier to comment on this point: Does he think it is reasonable that officers should be allowed to accumulate their annual leave entitlements? I fail to see how he could agree that they should be allowed to do that. I see this Bill as eroding the foundations of the principle of annual leave entitlement.

For some time there has been a practice in the Public Service whereby some officers are permitted by their permanent head to accumulate leave, not necessarily in the interests of the department, but to enable the officers to take a period of extended leave in order to travel overseas.

I do not think that situation should be encouraged. It is possible for an officer to take six weeks' leave. If he commences

his 1971 leave towards the end of December in that year he can then add his 1972 leave to it. The regulations do not stipulate a specific period during the year in which a permanent officer must take his leave—unless, of course, departmental operations dictate that the permanent head issues a roster stipulating when his officers must take their leave. So it is possible for an officer to take six weeks' leave, plus a few days to which he is normally entitled over Christmas, in one stretch. Therefore, I feel there is no justification for an officer to be permitted to take extended leave because this has an effect on the operations of the department. There must be some impact on the department if an officer is away on leave for six or nine weeks. Obviously that impact would be greater than if he were away for only three weeks.

I could not imagine any situation occurring in which an officer could not get away for three weeks' leave. Admittedly, some senior officers are in positions which are difficult to fill, but no-one is indispensable. If someone retires or dies there is always another to fill his place, and seldom is even a ripple caused in the general running of the department.

I favour the suggestion of the Leader of the Opposition; that perhaps there should be a limitation placed on the life of the provisions of this Bill. In my view the Bill should not remain in force indefinitely. I think it is a good idea to enable officers who are in this position at the present time to clear their leave so that they are not deprived of their entitlement; but I do not think we should create a situation in which we encourage officers to accumulate considerable periods of leave.

**DR. DADOUR** (Sublaco) [5.26 p.m.]: I would like to support the remarks of the previous two speakers. I looked for a definition of "annual leave" in the Public Service Act, but I could not find one. It merely says, "annual recreational leave." I would like to point out that is exactly what the leave is for. To me annual leave is a health need. It is necessary for every man to get away at one time during the year and to take his annual leave. As the busier members in this House would know, it takes at least a week for a person to—

**Mr. J. T. Tonkin**: Do you get away every year and take your leave?

**Dr. DADOUR**: Yes, every year.

**Mr. J. T. Tonkin**: Do you? Well you are jolly lucky.

**Dr. DADOUR**: I make it a point to take my leave because I probably work harder than any other member of this House, although I hasten to say I am not blowing my own trumpet.

**Mr. Graham**: You are doing that very successfully at the moment.

**Dr. DADOUR**: If members opposite wish me to be disrespectful, they should continue to interject. My argument is that for reasons of health no man should work longer than 12 months without taking his leave, unless there are extenuating circumstances. It is quite obvious that public servants have been accumulating leave to the utmost. This is an abuse of the system. They accumulate leave for three years and then, when the fourth year comes around, they find they cannot take the leave. Mr. Premier, I do not think this is entirely fair.

**Mr. J. T. Tonkin**: You are opposed to the legislation?

**Dr. DADOUR**: No, I am not opposed to the legislation. I am merely putting forward an argument. I know that in certain cases there may be extenuating circumstances.

**Mr. J. T. Tonkin**: You are arguing against it, but you will vote for it?

**Dr. DADOUR**: If the Premier wishes to put it that way, yes; but in the meantime I wish to make a few points.

I think we are being extremely liberal by allowing these people to accumulate leave for three years. Annual leave is necessary for health reasons. A person needs to rest and recuperate, to enjoy recreation and relaxation, in order to return to work refreshed and as a new person. He is no longer cranky as he was before he took his leave, and he is again ready to work hard. He is able to achieve much more because he can think more clearly. If an officer goes away for three weeks it is easy for the other officers in the department to share his work amongst them and to cover him during his absence.

However, it is much harder to do this if an officer is away for six weeks. I do not know how long an officer must be away before he is replaced by a temporary officer. I think that is up to the discretion of the permanent head of the department. No man is indispensable. Some may think they are, but they are not. There is always somebody to take the place of another if necessary.

I realise that sometimes as a result of pressure of work an officer cannot get away. The Premier said these cases are isolated and that the legislation will be used extremely sparingly. I believe he will use it sparingly, and that is why I am prepared to support it.

We do know that most trade unions insist on their members taking annual leave yearly. It is more important for a person who is engaged on sedentary work to take

his leave annually than it is for a manual worker, because we advocate that the former should get more exercise. From the health point of view this is essential, and that is why I am speaking in this debate.

If we are to retain the principle of recreation leave and put it in its right perspective we should ask why sick leave is necessary. Some people take sick leave because it cannot be accumulated. I am in favour of the accumulation of long-service leave and I think such accumulation should be the prerogative of the head of the department; but I still think that an officer should take his annual leave when it becomes due. The Government should insist on this, except in extenuating circumstances. With those few reservations I support the Bill. I know that Ministers will use this authority very sparingly, and with good judgment.

**MR. J. T. TONKIN** (Melville—Premier) [5.32 p.m.]: I thank the members who have made a contribution to the debate on this Bill, and I quite readily admit there are arguments both for and against the legislation. The safeguard is that no officer who desires to take his leave can be denied it. The provision is in the legislation, and if he wishes to take leave—irrespective of what the Minister thinks—he cannot be prevented from doing so.

The Bill will enable Ministers who are expected to be people with good judgment and common sense to decide in what circumstances they should allow the senior officer of a department to accumulate annual leave beyond the period already provided. I hope this is a provision to which Ministers will resort only where the circumstances make it absolutely necessary.

**Mr. Thompson:** This legislation would apply not only to senior officers but to all officers.

**Mr. J. T. TONKIN:** The situation at the present is that whilst the senior officer may permit an officer below him to accumulate leave, there is no-one available to permit the senior officer of a department to accumulate his leave.

Surely the principle should be this: If the senior officer has the authority to determine in what circumstances an officer below him should be allowed to accumulate leave, there should be somebody available who can determine whether in special circumstances the senior officer should be permitted to accumulate leave.

If there is no such provision we come to this: If the conscientious officer wants to serve his Minister and the State and remains on duty, then under the existing circumstances he does so at a sacrifice to himself; but the officer who is not con-

scientious and does not care whether or not his Minister is placed in any difficulty can take his leave.

**Mr. Thompson:** Does the senior officer have the power to allow a junior officer to accumulate more than three years of annual leave?

**Mr. J. T. TONKIN:** Not for more than three years, but the senior officer can allow the junior officer to accumulate leave. On this point the Railways Department already permits senior officers to accumulate annual leave beyond three years.

**Mr. O'Neil:** That is outside the Public Service Act.

**Mr. J. T. TONKIN:** It makes no difference to the principle. If it is applicable to the senior officers in the Railways Department and they are permitted to work on without having to sacrifice leave, then it should be applicable to other branches of the Public Service. The safeguard is that it depends entirely upon the attitude of the Minister. If he thinks that a senior officer should take his leave because if he did not he would lose the leave, then the senior officer would have to take his leave; but if the Minister is aware that one of his senior officers is engaged on a very important matter or report, or is collating information that is required urgently, he should have the authority to permit that officer to continue working without sacrificing his leave.

We all know that in the Public Service there are not half a dozen top officers working on an important project at once. On occasions when a senior officer becomes sick such work stops.

**Mr. Thompson:** Can you give us details of any case where it has been necessary for an officer to continue working without having to take leave?

**Mr. J. T. TONKIN:** I can. I do not like to make distinctions or to draw attention to individual officers, but as the question has been asked I will use one case as an illustration. There is no more conscientious officer in the Public Service than the Under-Treasurer. There are times when he is called upon to devote very close attention to urgent problems. The Leader of the Opposition will be aware that it has been the custom of the Under-Treasurer to work in his office on Saturdays and Sundays, including the nights of those two days, in order to obtain information required by the Government. If officers, without extra payment, find it essential to work on Saturdays and Sundays in order to serve the State, they should not be called upon to sacrifice their leave.

This is a situation which has arisen. The officer in question has not made any approaches or suggestions to me that anything should be done for him; but as I

am aware of the situation I think I would be failing very badly in my duty if I did not attempt to rectify the position. This officer knew full well that he would be sacrificing his leave, but he was prepared to do so without complaint.

Dr. Dadour: You are now putting up a case for a duplication of that officer.

Mr. J. T. TONKIN: I am not putting forward a case for duplication of that officer. There are a number of officers in the Treasury, but the top officer is the one in charge of the most confidential information, inquiries, and recommendations.

We should bear in mind that in most cases it is upon the recommendation of the Under-Treasurer that the Government acts on financial matters. Often the Government needs the best possible advice, and this can only be obtained, on occasions, by officers having to make a hurried trip to Canberra to consult with the Commonwealth officers.

The officer in question continued to work on Saturdays and Sundays, irrespective of his own convenience or desires, in order to serve the State. I believe some provision should exist for Ministers to ensure that the conscientious officers of the Public Service do not sacrifice their leave, when the less conscientious officers would not hesitate to take their leave as it fell due, irrespective of any possible dislocation which might arise within the department.

Dr. Dadour: Surely you are now defeating your own argument. These are the officers who should take their leave, because they have been working long hours and over the weekends.

Mr. J. T. TONKIN: That might be the way the honourable member sees the position, but it is not the way I see it. I agree that as far as possible Ministers ought to ensure that leave is taken when it falls due, but circumstances sometimes arise suddenly which make that impossible.

There is another aspect to this, but it is not covered by the Bill. It also relates to leave. Instead of making an officer take three weeks' annual leave every year surely the position should be this: when an officer wants to improve his position and indicates he has a desire to travel abroad to carry out certain studies which will take him five or six weeks, he should be allowed to accumulate his leave.

Dr. Dadour: I am all for it.

Mr. J. T. TONKIN: If the honourable member is all for it then he is speaking against his own argument, which is that an officer should take his annual leave every year.

Dr. Dadour: In circumstances such as you have mentioned the officer should be granted two extra weeks of leave.

Mr. J. T. TONKIN: The honourable member cannot have it both ways.

Dr. Dadour: This officer is going abroad on semi-departmental work.

Mr. J. T. TONKIN: The honourable member has to agree that either we insist, without exception, that an officer takes his leave when it falls due because of health reasons, irrespective of any desire to travel abroad to undertake studies; or we permit him to accumulate it.

Dr. Dadour: In those circumstances he should be given study leave.

Mr. J. T. TONKIN: We can either say to an officer, "Your leave is due. You have worked hard and you will become sick if you do not go on leave, so off you go," or we can permit him to accumulate leave. If it is acknowledged that an officer, whose leave is due, should receive some consideration in view of a proposition he has put forward that he should be allowed to accumulate leave, he should be permitted to accumulate it. It is only an extension of that principle with which I am now dealing.

In the final analysis this is not an open cheque to enable the head of a department to say that henceforth he will not need to take his annual leave when it falls due, and all that he has to do is to say to the Minister that he does not want to go on leave. If we have Ministers of the Crown who are that easy going we will have to introduce special rules to deal with such situations.

I believe the Minister is the best judge in these matters. When I was the Leader of the Opposition I found that my secretary was due for leave, and he would have lost his leave if he had not taken it. Despite the fact that it was at considerable inconvenience to me I sent him on leave.

Mr. Thompson: What about the period up to the time he went on leave?

Mr. J. T. TONKIN: There are times when this authority is needed, and if members opposite ever become Ministers I am sure they will appreciate the position. Generally the head of a department is in possession of knowledge and information which officers below him do not have, and often emergencies arise when we require the services of the top officer to be available. If he is not available the work in many cases would stop, because there would not be sufficient time to familiarise another officer with the details to enable him to render the same service.

I submit the proposition contained in the Bill is not unreasonable. It will provide the opportunity for a Minister to meet an emergency, and the exercise of this authority would rest with the Minister. If he has not enough common sense

to be able to determine whether or not to send his officer on leave, he should not be occupying the position of a Minister. I feel that no possible harm can result from the passing of the Bill. The power ought to be available to enable it to be used should the occasion arise.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by Mr. J. T. Tonkin (Premier), and transmitted to the Council.

### **INHERITANCE (FAMILY AND DEPENDANTS PROVISION) BILL**

*Second Reading*

Debate resumed from the 23rd March.

**MR. MENSAROS** (Floreat) [5.47 p.m.]: Among the many handicaps one undoubtedly experiences, as a result of not being born in this country and in this State, there are certain advantages which come to light when one studies legislation such as the Inheritance (Family and Dependents Provision) Bill.

The advantages come from the knowledge and experience of other than Australian customs, social attitudes and ethics, and legal systems, and consequently the ability readily and practically to compare those conditions with what applies in our State. Such an exercise of comparison results in the recognition that no State or country has a clear advantage over another. In certain fields the Statutes and laws of one country seem to be more advanced than they are in other countries, but in other fields they could well do with reform, or even change, in the light of experience.

If I might digress for a moment, Mr. Speaker, I would say it was in this sphere of transplanting into practice the lessons of comparative jurisprudence where, besides the economic advantages, the countries of the European Economic Community will benefit most from the entry of the United Kingdom. Undoubtedly, ultimately they will have to adopt whichever legal system suits them best. Those nations will have to select and retain the better laws and discard those which prove themselves inferior by comparison.

Using the discipline of comparative jurisprudence, I would say that under these continental systems of inheritance which originated from Roman law, the

provisions of this Bill which I consider desirable would not be necessary because they are already built into the laws of inheritance, both testate and intestate, in most continental countries. On the other hand, the provisions with which I will deal in a critical sense would not even have crossed the minds of legislators because they would have had no reason or necessity to consider them. Their system already works reasonably well.

According to most of the continental systems of inheritance, the children inherit the whole estate equally in case of intestacy. That is contrary to the system which operates here. In Europe, in lieu of a deceased child, his descendants shared that part. If there was no child, or no children of that child, then the estate goes one grade of generation up to the parents and if they were deceased to their children; the brothers and cousins of the deceased.

In all cases, however, the widow—during her lifetime—enjoys all the profits and interest of the whole estate for her maintenance. This is life interest—*ususfructus*. It is interesting to note that during the lifetime of the wife she enjoys this interest without the payment of probate duties. They are due only when the wife dies.

The **SPEAKER**: Order! There is far too much talking.

**MR. MENSAROS**: In the case of a will, the testator cannot disinherit his children of half of his estate, and neither can he exclude his widow from being a beneficiary for life of the profits and interest of half of the estate. Exceptions to this rule are few. Only certain conduct of these statutory heirs, such as conspiring against the life or reputability of the deceased person, could exclude them.

The execution of the will, or probate, is administered swiftly by a special person called the notary public, who has discretion to deal with special cases of maintenance. In the case of no appeal to the courts the distribution usually takes place within two months, and possession can be granted even earlier if it is proven that proper management of a business or rural property was necessary in the interest of the heirs.

It is only logical that under our less flexible system of inheritance, both testate and intestate, some need for the testator's family maintenance should arise, and it is also perfectly understandable—as the Attorney-General pointed out—that further provisions are required in cases of intestacy. This applies mainly—and is exactly what I have tried to point out so far—because of the inadequate rules of intestacy. This principle is understandable, and logical, and warrants no opposition.

The Government, or the Attorney-General, has the choice either to amend the intestacy law, or leave it to the discretion of the courts to do what they are now doing—or what they are supposed to be doing—under amended provisions as proposed now. However, it is another question whether one should unconditionally bless all the principles and provisions incorporated in this measure.

In his second reading speech the Attorney-General explained the provisions of this Bill and how it differs from the Testator's Family Maintenance Act—which it is proposed to repeal with the coming into operation of this measure. The explanation was set out in two ways: Firstly, the right to apply for a court order to participate in distribution of an estate is extended to cases of intestacy; and, secondly, the scope of the applicant will be widened because society now demands this on moral grounds. This is important.

Whilst accepting the logic in this classification I would rather deal generally with the Bill during this second reading debate under slightly different headings. I would like to examine its principles and provisions in a critical sense from the point of view, firstly, whether society really wants to abrogate almost completely the right of the individual to dispose of his estate in the manner he sees fit; secondly, whether society's moral—or, perhaps, ethical—judgment really warrants the almost indefinite extension of the scope of applicants to participate in the distribution of a deceased estate; and, thirdly, I would like to point out some complications and contradictions—so far not explained differences—with the Act which it is now proposed to repeal.

Mr. T. D. Evans: Would the honourable member not agree that the answer to his first question was partially answered by the passing of the Testator's Family Maintenance Act?

Mr. MENSAROS: That is so, and that is what I said. The law of intestacy being what it is, some provisions need to be altered—

Mr. T. D. Evans: The member for Floreat is trying to resurrect a skeleton out of the cupboard. Society has already answered his first question.

Mr. MENSAROS: —with the extension of rights concerning claims against a deceased estate. If this Bill becomes law there will be more curtailment on the right of an individual to dispose of his property in the way he wishes.

When the Minister introduced the Bill he said that the laws must protect and serve the needs of the people. That statement does not allow any contradiction *in toto*. However, the question is whether

this Bill sets out to do this or whether it attempts to protect only the needs of those who wish to benefit from an estate to the detriment of those who wish to dispose of their assets. It seems to me that the measure rather does the latter, and that the provisions of this Bill grossly restrict the rights and liberties of the individual regarding the disposition of his estate after death.

This type of legislation, of course, can be interpreted as being a convenient means to lift from the State or Federal Governments the burden of maintaining needy persons, and place it directly on the estate of the deceased so that the estate will cater for an almost unlimited range of distant relatives and others.

Admittedly, it will be the responsibility of the courts to draw the line, but the wide provisions of the Bill will make it very hard for those courts to respect the old-established principle of the rights of the individual to dispose of his property—in the majority of cases—according to inherent nature: by wishing to benefit his direct descendants on the first grade—his children.

This right is already abrogated to a great extent, not so much by administrative but by fiscal nature. I am referring to the high probate and estate duties which only allow the disposition of part of an estate under present conditions. If the courts take a liberal interpretation of the provisions of this Bill the ensuing result will not be a change in human nature.

There will be no doubt that people will attempt to dispose of their properties by way of a property gift rather than a will unless some future Government brings in a Statute to make this impossible, either by legal or fiscal means which, of course, would result in a complete farce being made of private property. In short, the first and paramount problem surrounding this Bill is one of jurisprudence: whether the old-established belief and principle of disposition of one's property should remain in force.

Although the Opposition has decided not to vote against this measure, as an individual member I am strongly convinced that the old principle should still remain. I invite the Attorney-General to expand categorically on his own view and his Government's view and to let us know whether he thinks—and subscribes to the principle—that the individual's rights of disposing of his property should be negated. I also invite him to state again—in this light—that in his opinion this is what the Law Society, the Law Reform Committee, and—what is much more important, as he said in his speech—society in general really want to happen.



My second line of examination is how far society's ethical judgment really goes in extending the scope of persons who are entitled to make an application for participating in the distribution of a deceased estate—whether the person died testate or intestate.

Clause 7 (1) contains these extensions, and (a) and (b) extend the provisions of the Testator's Family Maintenance Act inasmuch as they include widowers and any divorced widow or widower who has been maintained by the deceased, not only by virtue of a court order for permanent maintenance but also by virtue of other agreements.

So far I have no opposition but I do query the last words "or otherwise" of (b). This presumably means the maintenance received without court order or agreement purely on a voluntary *ex gratia* basis. If this is so, why should a recipient have a right to claim on the estate? Surely if the deceased's intention had been to benefit such a spouse, who did not merit a maintenance order from the court and did not have an agreement, then the deceased would have included that spouse in his or her will.

Mr. T. D. Evans: Perhaps I could answer the honourable member's query right now. Let us imagine the spouse is the husband, who had been paying maintenance to an estranged wife, not by agreement or by order of the court, but purely, presumably, voluntarily.

Mr. MENSAROS: That is right.

Mr. T. D. Evans: Why deprive the estranged wife of this? Obviously the deceased had shown some affection. Perhaps his wife had not pressed him or tied him to the provisions of an agreement and she had not wished to go nor had recourse to the court to get an order. This was a voluntary agreement. Why should such a spouse be deprived of the right to ask the court for a share in the estate when that person had died intestate?

Mr. MENSAROS: We are looking at the same thing through two windows. The Attorney-General has asked why this spouse should be deprived because there had been a voluntary agreement. I am saying that if the spouse were not worthy of a court order or agreement but had only a voluntary agreement—

Mr. T. D. Evans: Let us imagine the husband was the one who had died. If in the husband's view the estranged wife was not worthy of maintenance he would not have paid maintenance to her unless required to do so by a court order or separation agreement.

Mr. MENSAROS: My contention is that if a husband thought that his ex-wife was still worthy of maintenance, despite the

fact that there was no court order, he would have signified his intention by willing his estate to his ex-wife. Surely if a husband was strong in his affection or moral obligation—call it what one will—and wanted to give *ex gratia* payments to his divorced wife, at the same time he would provide for her in his will. If he did not do this obviously his intention was only to provide *ex gratia* payments for some reason—perhaps gallantry.

Mr. T. D. Evans: The saying that cobbler's children are sometimes the worst shod may well apply. Even a person who is well intended may die without making a will.

Mr. MENSAROS: I am not arguing against this. I simply raised the point to seek information. I am glad we have discussed this by way of interjection. I could not understand why it was necessary. As I understand it the Minister has explained that there could be occasions where, say, a husband provides *ex gratia* payments to his estranged wife but does not want to will his property—or part of it—to his ex-wife. Nevertheless, the ex-wife should be entitled to claim. In my view, if he did not go so far as to will his property to his wife, she should not be entitled to it.

Paragraph (d) refers to a grandchild who is living or has been conceived. The Bill uses the phrase *en ventre sa mere*, which always intrigues me. I cannot understand why the English expression is not used, or perhaps the Latin one—in *ventre matris*. However, it refers to grandchildren.

It seems to me to be somewhat unreasonable to include grandchildren, even though their parents are alive, and even before they are actually born. For that reason, I have again placed on the notice paper the amendment I intended to move during the last session. I think it would be more reasonable to restrict the right to apply to those grandchildren whose parents have predeceased the testator; in other words, to grandchildren whose parents died before the grandparents and who were during their lifetime already provided for by the grandparents.

I understand this suggestion emanated from the Law Society and the Law Reform Committee, and the Government decided to go beyond it. If I am incorrect, the Attorney-General can correct me and perhaps explain why the Government has gone beyond the recommendations.

Looking at another aspect of paragraphs (d) and (c) of clause 7, they deal with illegitimate children and grandchildren. This aspect of the Bill received the greatest amount of publicity. However, considering that the Government conceded and signified its support of amendments to three complementary Bills last year,

dealing with the legal status of illegitimates, it was logical that the Attorney-General should incorporate in this Bill the amendments I placed on the notice paper. I am grateful to the Attorney-General for doing so because it demonstrates that he accepts that the illegitimate child should be included only if he were recognised during the lifetime of his father or an order of paternity were made during the lifetime of the natural parent.

I think this is a very important feature of the Bill because it prevents disruption of family life and prevents the possibility of blackmail, as was pointed out in both Chambers in connection with the three related Bills to which I referred.

The most controversial and remarkable description of persons to whom the right of application for an order may be given is to be found in paragraph (f) of clause 7 (1), which reads—

7. (1) An application for provision out of the estate of any deceased person may be made under this Act by or on behalf of . . .

(f) a person who at the time of the death of the deceased was being wholly or partly maintained by the deceased, who was ordinarily a member of the household of the deceased, and for whom the deceased, in the opinion of the Court, had some special moral responsibility to make provision.

This definition aims to include primarily, as the second reading speech mentions, persons with "moral claims." This presumably means *de facto* wives—or husbands, for that matter. I would be grateful if the Attorney-General would indicate whether that is the meaning of that paragraph; that is, the moral obligation under paragraph (f) includes *de facto* wives and husbands. Is that the intention of the Bill?

Mr. T. D. Evans: I would think so, but it would not be the only one.

Mr. MENSAROS: That was my understanding.

Mr. T. D. Evans: There could be other considerations as well.

Mr. MENSAROS: Yes. If that is so, one wonders why it was not stated explicitly amongst the other persons to whom it is intended the provisions should be extended. Was it that it is too difficult to define the *de facto* relationship? Or was it a pious hypocrisy not to mention an expression such as that? Or was there any other reason?

It is very difficult to swallow that the Legislature of a Christian State—a Legislature which begins its deliberations with the Lord's Prayer—should announce that henceforth moral claims derive from a *de facto* relationship; in other words, from the denial—

Mr. Hartrey: Is there anything in the Lord's Prayer that says that is wrong?

Mr. MENSAROS: There is not, but I would think the moral ethics of the member for Boulder-Dundas would acknowledge that our society is based on the nucleus of the family. I would think the member for Boulder-Dundas would not regard the denial of the family as involving a moral obligation. That is my contention.

Mr. T. D. Evans: This is not necessarily a denial of the family. It may well be for the preservation of the family.

Mr. MENSAROS: My contention is that if we include persons who have a *de facto* relationship in the definition of "moral obligation," we are *a contrario* denying the most important nucleus of society; that is, the moral basis of the family.

Mr. T. D. Evans: If I might interpolate, I would regard the Minister for Labour under the Brand Government as having introduced a most advanced piece of legislation by way of amendments to the Workers' Compensation Act, in which recognition was given to children born out of wedlock. That occurred during a time when the member for Floreat was a supporter of that Government, and I did not hear him raise one word of objection.

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

Mr. MENSAROS: I was sorry indeed that the debate had to be interrupted for the tea suspension at about the time the Attorney-General and my respected friend, the member for Boulder-Dundas, commenced to take some interest in my argument. Lest they misunderstood me, I am happy to repeat that I did not advance any opposition to the provision that *de facto* wives or husbands would have the right to claim for an order against a deceased's estate. What I was objecting to was that *de facto* relationships should come under the definition of moral obligations.

If we hold marriage as being the nucleus of our society's morals, how can we term a *de facto* relationship moral as well? Or, to put it another way, if we term a *de facto* relationship moral, what is marriage? Is it moral plus or moral on the square?

I do not like these philosophical terms being used loosely. I hate the saying, "It is very true." A thing is either true or it is not true. The same thing applies to the word "moral." The implication is, by bringing a *de facto* relationship under the

heading of moral obligation, we deny the moral validity of marriage. This is what the paragraph says.

There have been societies whose leaders have tried to do away with the institution of marriage. If we study the history of the Soviet revolution—the true history and not the history taught to our children by the Education Department—we find that the leaders attempted to abolish marriage.

They were unsuccessful and the move ultimately failed.

I believe the majority of our society would wish to exclude *de facto* relationships from the provisions of this Bill simply because the paragraph says that the relationship is based on a moral claim. In fact, were I a judge executing and interpreting the proposed Act, I would exclude *de facto* relationships for the reason that this very word "moral" would have an inhibitive effect on the *de facto* relationship. If we take it for granted that the majority of our society supports *de facto* relationships, then perhaps the drafting of this paragraph is justified. But do we accept this?

It was the member for Boulder-Dundas who last year reminded us of the principle *quid leges sine moribus*—what is the use of laws without morals.

Mr. Hartrey: Yes, I did, and I repeat it.

Mr. MENSAROS: Consequently the same honourable member stated—and I respect him for it—on page 757 of *Hansard* of 1971—

You cannot have your laws too moral, and you cannot have your morals too legal.

I repeat, I have nothing against the inclusion of some cases of *de facto* relationships within the provisions of this Bill—if the Statute says so—but I do protest against our legislation endeavouring to base the *de facto* claim on moral grounds, and to refer to society in general which, according to the Minister, feels and judges this way.

Let us look at the *de facto* relationship calmly and examine the most recurring reasons for it. Allowing for a few exemptions, people will enter and maintain a *de facto* relationship for two main reasons. The first is that one of the parties cannot obtain a divorce, and the second reason is that the partners do not want to tie themselves to the legal bonds and restrictions which the State imposes on married couples.

In the first case, I cannot help but come to the conclusion that if society wishes to protect these people then it should enable them to marry by making the conditions of divorce much easier. To compel people to live in *de facto* relationships and yet

to give them the benefit of marriage from the point of view of inheritance, is hypocrisy, or at best, scratching the left ear with the right hand from behind one's back.

In the second case, when people do not enter marriage because they expressly wish to remain free—free from obligations of maintenance in the case of separation, free to separate without divorce proceedings and grounds at any time, free from the laws of intestacy—then why forcibly give them this protection against their will? Their will was so strong that they ignored still existing social prejudice and entered a *de facto* relationship—indeed, rather choosing a social stigma to maintain this freedom against all rules.

Despite my criticism, I did not propose an amendment to this paragraph. This is not because I agree with it, but for other reasons. The Government must make this decision and I suggest it should consider it very seriously. The Government has two choices to make this provision if not commendable, at least acceptable. Either it should delete the reference to "some special moral responsibility," and refer instead to *de facto* relationships if these are the people the Government wishes to benefit, or it should retain the moral responsibility but signify that this does not refer to a *de facto* relationship which in the eyes of our society is not moral. This is exactly what the Minister for Labour did with regard to workers' compensation. He did not say people are entitled to compensation on moral grounds, he called a spade a spade.

Paragraph (f) of section 7 (1) enables a great variety of classes of people to claim benefits from a deceased's estate. The wording, as it stands, would include an old family retainer, a mother-in-law, or indeed anyone to whom the deceased wanted to show some kindness, without any intention of having him or her share in his estate. The person does not even have to be domiciled in the home of the deceased; he only need be a member of the household. Therefore, a cleaning lady or a nurse coming regularly and being provided with a cup of tea fits this definition. I do think that this is too great an extension of potential claimants. Yet, again, the Opposition is not here to rewrite legislation. Hence I have no amendment to this paragraph. However, I would request that the Government seriously consider this question, especially in the light of the new word "support" which is now included.

With this I now come to the third and last section of my remarks: the unexplained differences between this Bill and the Testator's Family Maintenance Act, and some other complications which I can see arising from this Bill. The Testator's Family Maintenance Act, in general, allows

claims in cases where there is no adequate provision for the proper maintenance, education, or advancement in life of the claimant. This obviously refers to younger people, usually descendants of the deceased person, who, through no fault of their own, lack educational facilities or other means of advancement in life.

This Bill, in clause 6 (1), and in a couple of other places, introduces a new word "support" amongst the requirements. But anyone could need support, even in a situation which he brought upon himself. A potential claimant, falling into the wide category to which I objected before, could wilfully indebt himself—for instance, he could take out excessive hire-purchase commitments—in order to be in a position where he needs support and, therefore, be not ruled out as a claimant on the estate.

Mr. Speaker, I think this is absolutely and utterly undesirable; hence my proposed amendments, which I will move at the Committee stage. The class of persons who could apply in conflict with lawful dependants would now appear to be unlimited; and even in the event of such a claim being denied, the estate will be depleted to the detriment of the other dependants if an order is made for costs to be paid out of the estate.

Clause 7(1)(c) states that an application may be made by a child of the deceased. The definition of a "child" in clause 4 of the Bill includes an illegitimate or adopted child. It follows that some children may well have the right to claim against four estates—those of two natural parents and of the two adoptive parents. One could envisage some truly extraordinary situations arising. I might add here that the new section 8 of the Adoption of Children Act, as amended last year—and although I am not sure I think it is law now—provides that an adopted child may inherit the property of adoptive parents, but the issue seems to be clouded by the wording of the two definitions. The Adoption of Children Act, as amended last year, states in section 7(1)(b) that the adopted child ceases to be a child of any person who was a parent. However, this Bill does not include this definition. Therefore, I can foresee some complications.

Another anomaly to my mind arises from clause 16. This makes one wonder if it would not be possible to hold up the distribution of the estate for a very long time—almost indefinitely—while applications for increased provision were made.

If we look at clause 19, I think we will find that it will certainly frighten away mortgagees; indeed, its result could be that it will not be possible to raise any money on the estate of a deceased. Mort-

gagees do not take risks as a rule when lending money. It is true that this clause refers to a mortgage of or over any provision of the estate granted by the court. I wonder whether the Attorney-General would explain what is a mortgage of a provision? Is it a mortgage over a fund which is provided or made the provision? This may be any part of the estate.

This Bill, as the Attorney-General rightly said, is important social legislation. Therefore, I make no excuses for the perhaps somewhat unusual length of my critical comments in answering the proposition of the Attorney-General. However, I will state that despite my criticism I am not opposed to the second reading of the measure, and I would appreciate it if the Attorney-General would comment on my remarks.

**MR. HARTREY** (Boulder-Dundas) [7.48 p.m.]: The member for Floreat has proposed an amendment on moral grounds. I will oppose it on moral grounds. I said—and he is right to remind me—in my opening speech in this House, "*quid leges sine moribus*"—in other words, "What use are laws without moral sanctions?" In plain language that means, "What is the use of passing a law that does not commend itself to the moral instincts of a very substantial majority of the community?"

If anyone can tell me that the moral sense of this House is against granting relief under the Workers' Compensation Act to illegitimate children—which was introduced in good old censorious England in 1906, and has been law in Western Australia since 1912—I would be very surprised to hear him. Indeed, an Act was passed in 1970 to which the honourable member referred and for which he voted, which extends to the *de facto* spouse of a certain standing the same protection as to the legitimately married spouse.

Mr. Mensaros: I did not object to that.

**MR. HARTREY**: The honourable member quoted me, and he quoted Christianity; and he based his argument upon that. I hope to be a humble adherent to Christianity. But, as was determined by the House of Lords in 1916 in the case of *Bowman versus The Secular Society*, "Christianity is not part of the law of England." People in this country are not bound to believe in Christianity, and they are not bound to be victimised for not doing so. I believe it, yes; but I am not a prophet, I am just a representative; and when I vote I vote for the people of Western Australia—

Dr. Dadour: You do as you are told.

**MR. HARTREY**:—and not for any particular persuasion of those people. I believe quite seriously in the holy sacrament

of marriage; I do not believe in the holy sacrament of divorce! The member for Floreat says that in order to discourage people from living in a *de facto* relationship we should greatly extend facilities for divorce.

Can any member see anything particularly moral in a person paying somebody \$400 for the right to spend a day in court and have a gentleman sitting on a dais adorned with a wig, solemnly declaring, "It is all right for you to go away now and consider yourselves not married," and the persons concerned are then divorced by dispensation of a judge?

Mr. Bickerton: I do not think a person who is not married should be an authority on divorce, either.

Mr. HARTREY: I am not in the least opposed to that. The last speaker referred to sin and Christianity generally. In conclusion I would just remind the House there is only one sin to which Christ expressed himself as being bitterly opposed. He did not approve of *de facto* relationships. He told the Samaritan woman at the well that she had sinned. He told the woman who was brought to Him in adultery to go away and sin no more. But he strongly inveighed against the Pharisees for being hypocrites. The member for Floreat suggests widening the opportunity for destroying marriages to obviate *de facto* relationships and, in my humble opinion, that is hypocrisy. I support the Bill for reasons which are the very opposite of those put forward by the member for Floreat.

DR. DADOUR (Subiaco) [7.52 p.m.]: I wish to support my colleague the member for Floreat. I do not have very much to say, but after reading the Act as it stands my advice to all people would be, "Do not die" because no longer, if this Bill is agreed to, will we have the power to direct that our estate should go where we wish it to go. Who has a better knowledge of where my money should go than myself, particularly if I wish to leave it to certain relatives or others? Each person knows to which people he desires to leave his estate and to whom his earnings and savings should go.

Part of the Attorney-General's speech, when he introduced the second reading of the Bill, reads as follows:—

It is considered that society's attitude to the right of a man, or of a woman, for that matter, to dispose of his or her property as he or she thinks fit even beyond doubt has changed. There is now a feeling that a deceased is under some moral obligation to make provision for the maintenance, education, and advancement in life of

persons who in the normal course of human affairs had a close personal relationship with the deceased.

Without doubt, this could well mean that a court could rewrite a will, so what is the use of anyone preparing a will in the first place? I have four children. I will be better able to educate some of them and give them a station in life than I will the others, and when I die I wish to leave the majority of my money to one or other of the children, and a token to the rest. However, under this Bill the court could rewrite my will without knowing my innermost thoughts and the reasoning behind the drafting of my will. By the court's direction it could easily happen that each child could be granted the same amount. That is not right. Only one person knows all the facts, and that is the person who writes the will. It is the divine right of any man to write his own will.

If, for some reason, a man leaves someone out of his will, by all means that person should have the right to claim against the estate if he thinks he is justified; but this provision is far too wide. It is socialistic in many ways because it is so wide.

Let me cite a case; namely, that of a man who had a coronary occlusion. His daughter became pregnant. On a number of occasions I, as the family doctor, knew that I would have to hold back from my patient the fact that his daughter was pregnant, because I knew that this one single blow could be sufficient to kill him. On some pretence the daughter was hidden away, she had the baby, and it is now in the hands of the Child Welfare Department awaiting adoption. In the meantime the father died as the result of another coronary occlusion. Under this provision the Child Welfare Department could well make a claim on the estate on behalf of the illegitimate grandchild.

I am sure the court would view such a case with a great deal of sympathy, but why should this child have a claim against the estate whilst the daughter is still alive? The position should be that the daughter should have a claim, and the child should have a claim on the daughter of the deceased. I am certain, without any doubt, that a court would view the claim of such a child very leniently. Surely this grandchild should be the State's responsibility, and it should not have a claim against the estate of the grandfather, unless it comes through the daughter.

I am sure that many a man in Karra-katta would turn in his grave if he were able to see what the court did to his will, or see the way it divided up his estate which was his rightful heritage. I begin to lose faith in human nature when I study some of the provisions in this Bill.

There are a few other points I would like to make. In my opinion clause 7 (f) is obnoxious. Speaking on the subject of moral obligation or responsibility, I would point out that one of the problems that could arise could be the question of a stepchild. This could easily be overcome by including in the definition of "child" the words "or stepchild." I believe this is something members must consider.

There is another point about which I am worried. Does a "child" include a grandchild, a great grandchild, and a great great grandchild? Would the Minister kindly answer this for me when he replies? Take the case of a divorced woman. Because she desires to work, she does not wish to claim maintenance from her husband, despite the fact that she is entitled to do so. She should qualify as one of the people who should be able to receive maintenance or some assistance from the estate.

I think the provisions contained in paragraphs (e) and (f) of clause 7 would have most members worried if they had their mothers-in-law living with them and they were, in some way or another, contributing to the maintenance of their mothers-in-law. A mother-in-law would have a moral claim also under the definition of the words "special moral responsibility." Many people, out of the goodness of their hearts, give other people who are less fortunate \$5 or \$10 a week quite regularly to assist them. These people would have a special moral claim. There is the mistress and the gigolo. They would also have a claim.

Mr. Graham: I would remind the member for Subiaco that it is now 8.00 p.m., if he still wishes to keep his appointment.

Dr. DADOUR: I thank the Deputy Premier for his consideration. There is one other point I wish to make. Sometimes a person knows when he is about to die.

Mr. Bickerton: Don't we all know we have to die?

Dr. DADOUR: He knows that death is fairly imminent.

Mr. Bickerton: You are interrupting my reading of *The Little Red School Book*!

Dr. DADOUR: Often when a person knows he is about to die he makes a gift of his estate to his *de facto* wife. After the gift has been executed, then on his death there is no provision under this legislation to enable the administrator of the estate to deal with the gift. Seeing that people have six months within which to make claims, in the case of a person who gave away his money three months before his death, the money should be included in the estate to prevent it from falling into the wrong hands. The money should be used to maintain the people who

should be maintained. This is not an unreasonable procedure, because a period of six months is provided to enable people to make claims against the estate. If money has been given away three months before the death took place this will not be unworkable.

Owing to the urgency of this legislation, the Minister's commitments, and the fear of a repetition of what the member for Floreat has already said, I leave my contribution to the debate with those thoughts. I will be very interested to hear the Minister's comments when he replies to the debate.

MR. T. D. EVANS (Kalgoorlie—Attorney-General) [8.03 p.m.]: I have noted and, indeed, I thank members who have contributed to the debate for the interest they have displayed in the subject. I would like to draw to the attention of the member for Floreat and the member for Subiaco at this point of time the fact that the subject matter of this legislation will determine the future of the Testator's Family Maintenance Act.

If this Bill becomes law then the legislation emanating therefrom will replace the Act I have mentioned. The Testator's Family Maintenance Act was referred to the Law Reform Committee in 1965 during the life of the previous Government for its consideration. On the 10th October, 1968, the Law Reform Committee wrote to the Minister for Justice and advised that it felt it should seek his permission to alter the terms of reference. It further advised that the terms of reference provided by way of an inquiry into the operation of the Testator's Family Maintenance Act were, indeed, too narrow, and the Law Reform Committee sought the Minister's approval to widen the terms of reference in this respect: To report on the desirability of amending the scope and provisions of the Testator's Family Maintenance Act so as to extend the right of application to new categories of persons; to permit applications for provision from totally or partially intestate estates; to define more accurately the circumstances in which the distribution of an estate may be disturbed in order to sustain an order made under the said Act; and to permit a variation increasing the provision under an existing order.

The file indicates that on the 17th October, 1968, a letter was written by the Minister for Justice to the Chairman of the Law Reform Committee thanking him for his letter dated the 10th October, 1968, relating to the Testator's Family Maintenance Act, 1939-1962, and approving of the suggested alterations to the terms of reference. I would like to project, without wearying the House by reading the file—

Mr. Hutchinson: Will you be tabling the file?

Mr. T. D. EVANS: I am prepared to table it. I venture to suggest that had there not been a change of Government this very piece of legislation would probably have been introduced firstly in another place, and the present Deputy Leader of the Opposition who represented the Minister for Justice in this House would have introduced it here.

Mr. O'Neil: We have not indicated our opposition to it. You do not have to justify your actions.

Mr. T. D. EVANS: I am not trying to.

Mr. O'Neil: We are not opposing the legislation.

Mr. T. D. EVANS: I am suggesting that the legislation which I have introduced would have been introduced, in its entirety, by the previous Government if circumstances had not changed.

Mr. O'Neil: It must be good.

Mr. T. D. EVANS: No doubt had that been the position the member for Floreat would have remained remarkably silent.

Mr. O'Neil: Not at all.

Mr. Jamieson: We seldom heard from the member for Floreat while members opposite were in Government.

Mr. T. D. EVANS: Let me touch upon the philosophy behind this piece of legislation. If the Bill becomes law then the Testator's Family Maintenance Act will be replaced by the new legislation. That Act was enacted in 1939; when it was enacted it certainly broke new ground, because it gave the right to the Supreme Court to make a determination, in its discretion, after being presented with strong and compelling reasons as to why a person's will should be disturbed. This has been the golden thread running through this legislation ever since that time: that whenever the court intervened and upset the terms of a deceased testator's will there had always been very strong and very compelling reasons so to do. I can see no reason at all why, in the case of a testator's estate, we should anticipate a change of attitude or a change of practice on the part of the Supreme Court.

The member for Boulder-Dundas, in terms more eloquent than I could ever hope to muster, stole my thunder when he so brilliantly retorted and, indeed, effectively replied to the member for Floreat. I thought the member for Boulder-Dundas seemed to be overtaken with shock by the somewhat Victorian standards of the member for Floreat when he spoke about what this Bill would do in terms of moral obligation.

By way of an interjection prior to the tea suspension, I endeavoured to remind him of what I regarded as being a most pro-

gressive piece of legislation, relatively speaking, introduced by the member for Melville, as Minister for Labour in the former Government; I refer to the amendments to the Workers' Compensation Act.

I extend every credit to him. It was most progressive, having regard for its source, and under it, with qualifications, the provisions of the Workers' Compensation Act were extended to *de facto* wives. If I remember correctly the member for Floreat was present at the time, but not one word of objection did he raise.

Mr. Mensaros: I do not object to this either.

Mr. T. D. EVANS: If the member for Floreat does not object, he took a long time to achieve nothing.

Mr. Mensaros: I objected only regarding the moral obligation. I did not object to *de facto* being brought under the claimants. I objected only about such a relationship being referred to as being based on moral obligation.

Mr. T. D. EVANS: The member for Subiaco also made what I regard as being a sincere contribution to the debate and he expressed concern. However, with all due respect to him, I believe his concern is ill-founded if one has regard for the golden thread running through this type of legislation.

We are not really being pioneers in this area. We are leaning on the experience we have gained since 1939 in regard to the manner adopted by the Supreme Court in the case of applications under the Testator's Family Maintenance Act. The golden thread has always been, and I am sure it will always be, that very strong and compelling reasons must be submitted before the court will disturb what, prior to 1939, was held to be the inviolable right of a testator to have his estate distributed according to the terms of his will.

Dr. Dadour: That is not what you said in your introductory speech.

Mr. T. D. EVANS: I said there is time to recognise a change of attitude, but I am sure that the practice and attitude of the Supreme Court will still continue to be such that strong and compelling reasons will have to be submitted, and the Supreme Court should not be hobbled in its approach to bring about what should be, according to the judge in the armchair who imagines himself the testator writing his will, or in the case of a person who dies without a will—

Dr. Dadour: I refer you once again to the statement in your speech.

Mr. T. D. EVANS: The member for Subiaco does not have to refer me to it.

Dr. Dadour: That is not what you said in your introductory speech, which I read out.

Mr. T. D. EVANS: The member for Subiaco had better read it again. I cannot see any great concern is involved. I believe the Supreme Court should be entrusted with the power to deal with these matters having regard for the principle which existed prior to 1939 which involved, as I have enunciated, the inviolable right of a person to dispose of his estate as he desires. Surely we are only introducing some flexibility regarding the disturbance of the terms of the will in the case of intestate persons, and that flexibility is to be administered by the Supreme Court. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

### *In Committee*

The Deputy Chairman of Committees (Mr. A. R. Tonkin) in the Chair; Mr. T. D. Evans (Attorney-General) in charge of the Bill.

Clauses 1 and 2 put and passed.

### *Progress*

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

## **IRON ORE (GOLDSWORTHY-NIMINGARRA) AGREEMENT BILL**

### *Second Reading*

Debate resumed from the 27th April.

MR. HUTCHINSON (Cottesloe) [8.17 p.m.]: This agreement between the State and the Goldsworthy joint venturers is a direct descendant of the Brand Government's 1967 legislation which is commonly known as the Ludwig agreement, which was an agreement between the State and the Sentinel Mining Company Inc.

Among other things this new Goldsworthy agreement firstly resettles certain temporary reserves with Goldsworthy, and those reserves are Sunrise Hill, Nimingarra, and Yarrrie. I understand a total of some 40,000,000 tons of ore is to be found on these three temporary reserves. The agreement also resettles a number of man-ganiferous ore reserves on Goldsworthy.

Secondly, the Bill and agreement provide certain conditions with which the Government and joint venturers must comply; and it provides also for payment of compensation by the joint venturers to the Sentinel Mining Company in regard to exploratory work done by it during the term of the agreement. In addition it also provides for a new set of royalties; these are the three principal items on which I wish to speak briefly.

The purpose of the agreement is basically sound and the Opposition supports it with pleasure. Because of the new 40,000,000 tons of ore in the Goldsworthy field, Goldsworthy will be able to extend its economic life considerably. I think most people would be pleased with this because Goldsworthy was the first of the iron ore companies to develop iron ore exports from the north-west. Because of this it is a pioneering company and whereas formerly it had, by comparison, a fairly limited life, that life has now been extended for a number of years.

I also think it is appropriate that compensation payments should be made by the Goldsworthy joint venturers to the Sentinel Mining Company. That goes without saying; it is a logical step and I believe, indeed, that the Sentinel Mining Company is fortunate that this compensation can be arranged.

However, whilst supporting the agreement in full, I want to remark on certain aspects of it, and take some exception to what the Minister had to say regarding the proposed royalties. I believe the Minister misled the public when he said that the new royalty basis would compare, in the aggregate, much more favourably than that in the Brand Government's Ludwig agreement. The Minister said that the new agreement would result in royalties of \$32,000,000, in the aggregate, whereas the Ludwig agreement would have resulted in royalties of \$21,000,000 only. The difference was some \$11,000,000.

I submit that statement was not quite true and the difference of \$11,000,000 in terms of benefit to the State, in reality, does not exist, even though it might exist in cold financial return to the State. I feel I will have to explain this in more detail.

Mr. May: I should think so.

Mr. HUTCHINSON: It is true that the new royalty provision provides for a figure of 11 per cent. for lump and fine ore, and I agree with that figure.

Mr. May: What was the previous royalty on lump and fine ore?

Mr. HUTCHINSON: The royalty was 7½ per cent. on lump ore, and 3½ per cent. on fine ore.

Mr. Graham: The member for Cottesloe does not disagree with the new rate?

Mr. HUTCHINSON: I would like the Minister to wait until I have explained how this occurred. I have only given the first part of my explanation. He can ask questions subsequent to my explanation.

As I have said the royalty on both types of ore is 11 per cent., and as the Minister has said that figure will probably raise, in total, an aggregate of \$32,000,000.



Perhaps at this stage, Mr. Speaker, I could, through you, ask a question of the Minister. Do I understand the royalty of 11 per cent. applies only to ore taken from the old Sentinel Mining Company deposit, which is subject to the Ludwig agreement?

Mr. Graham: Yes.

Mr. HUTCHINSON: The only difference will be when ore is mixed with the former Goldsworthy ore, when it will be upgraded to the 11 per cent.

Mr. Graham: The increased royalty is on the Sentinel Mining Company deposit. I thought I made that clear.

Mr. HUTCHINSON: I wanted to make sure I was correct. Well, this is so. It has been established that the royalties on the original Goldsworthy concessions will remain the same. I want to make a point regarding the royalties which applied under the Ludwig agreement, to set the picture straight and without opposing the present agreement.

It should be noted that the royalties under the Ludwig agreement were 7½ per cent. for lump ore and 3½ per cent. for fine ore. At first glance this does not appear favourable when compared with the 11 per cent. which is included in the new agreement. However, the infrastructure which brings tremendous benefits to many parts of the State, and many employment opportunities, was very much greater in the Ludwig agreement than is the case under the present agreement.

The Ludwig agreement was a pioneering venture, which would have included the construction of a new port—probably at Cape Keraudren—and the construction of new and long-distance railways. New towns would have been built, and all the expenditure associated with a pioneering venture would have been incurred. Mark this: The agreement was settled some five years ago, so I would say the cost associated with that agreement, and the benefits to the State, because of the expenditure involved, must weigh heavily in a fair comparison between the two agreements.

Another point is that there is no processing obligation in the new agreement. I do know that the Minister said processing might be possible subsequently, and I know he is not able to be certain that the manganiferous reserves will be so situated, and will be so rich, that it will be possible to upgrade those ores. However, there is no processing obligation in the present agreement whereas there was a processing obligation in the 1967 Ludwig agreement.

Also, under the provisions of the Ludwig agreement if the processing obligation was not entered into after a period of six years the royalty was to jump from 7½ per cent. to 11½ per cent., whilst the 3½ per cent.

was to increase to 5½ per cent. That is a rise of 50 per cent., and a shade more than 50 per cent. in regard to fine ores. So it will be seen that the royalty of 11½ per cent. is higher than the 11 per cent. for the ores under the new agreement. Those figures help to set the picture right, and put things into their right perspective.

In addition to upgrading the royalties by 50 per cent. to 11½ per cent. and 5½ per cent. respectively, if the processing obligations were not entered into the company had to pay an additional 50 per cent. of what it had already paid, or should have paid, to the end of the six-year period.

At this juncture I point out that if the processing obligation had been entered into the benefits accruing to the State would have been far greater than a mere 11 per cent. royalty charge on iron ore which was exported. I say, therefore, that it was not a fair comparison and it was misleading. The Press, believing the Minister, featured this point—as it might well do—as the difference between the two agreements. For those who are interested in checking the figures I have mentioned, they appear in paragraph (ix) on pages 26 and 27 of the Iron Ore (Nimngarra) Agreement Act, 1967. It only says in more detail what I have tried to say fairly briefly.

I have tried to set the perspective more correctly because the Minister said in his second reading speech that this is the first increase of royalties obtained in negotiations with the iron ore companies.

Mr. Graham: Is not that correct?

Mr. HUTCHINSON: No, if we have regard for what I have just said, because the Ludwig agreement set the pattern. I have described how the royalties of 7½ per cent. and 3½ per cent. were set initially to give the incentive for the processing obligation. If the obligation was not entered into the royalties were to be lifted to 11½ per cent. on the one hand and 5½ per cent. on the other, with the fringe royalty benefits that largely apply to the present agreement.

Mr. May: The member for Cottesloe mentioned earlier that one of the reasons was that they did not have to provide infrastructure. Goldsworthy is going to provide infrastructure at Sunrise Hill and Shay Gap. It will extend the railway line by 40 miles. This is a fair capital expenditure for Goldsworthy.

Mr. HUTCHINSON: I appreciate this and I know that the Minister for Mines mentioned this by way of interjection when the Minister for Development and Decentralisation was making his speech. As I have said, I appreciate this, but the infrastructure associated with this pioneering venture would have been far greater.

Mr. May: Except that Cape Keraudren is quite adjacent to Sunrise Hill and Shay Gap. There would not be the extent of railway and port facilities that is the case now.

Mr. HUTCHINSON: I have already agreed with this in my remarks, but I say that a pioneering company faces a set of expenses which are entirely new and quite distinct from expenses that can be incurred by a company which is already well under way.

Mr. May: I agree, but I point out that Goldsworthy Mining has agreed to the increase in royalty because it has these additional reserves—a fact which should ensure longevity of the project.

Mr. O'Neill: Goldsworthy can afford to pay because it already has the principal items of infrastructure.

Mr. May: Goldsworthy stated quite emphatically that the reason for agreeing to the increase in royalties was the additional reserves. Do not bring infrastructure into this, because Goldsworthy will have a big impact as far as infrastructure at Shay Gap and Sunrise Hill is concerned.

Mr. O'Neill: Goldsworthy will not build a new port.

Mr. May: No, but it will build a railway line.

Mr. O'Neill: The major part of which was financed on the basis of the original Goldsworthy agreement.

Mr. May: Cape Keraudren is almost adjacent.

Mr. HUTCHINSON: These are interesting asides. I do not want to deny what the Minister for Mines has said. I am trying to deal with a remark concerning a comparison of royalties. I believe the picture as given by the Minister who introduced the Bill was distorted. I do not think he did it intentionally—at least I do not expect he did—but merely neglected to consider other features when he made the comparison. It is for this reason that I have brought this in now.

It is a pity that the other features were not brought in when the Minister made his comparison, because it went to the public as a cold difference of \$11,000,000. I have not been able to evaluate what the difference would be, and I do not think it matters greatly unless a great feature is made of it. The public generally believes there is a great difference but the 11 per cent. came in with the Ludwig agreement. The practical margin is nowhere near \$11,000,000 and simply to state this amount of money does not mean anything because of the other factors involved. This kind of thing tends to test the Government's credibility.

Mr. J. T. Tonkin: What is your estimate?

Mr. May: I beg the pardon of the member for Cottesloe. Whose credibility? The member for Cottesloe cannot say this. He is up in the air and does not have a clue what he is talking about. Come back to the original agreement and do not talk about the Government's credibility.

Mr. HUTCHINSON: I probably should have said, "the Minister's credibility." Could we believe him when he said there was a difference of \$11,000,000?

Mr. Graham: Yes, you could believe me.

Mr. HUTCHINSON: At this juncture I do not say, "the Government's credibility" but this type of thing tends to weaken a Government's credibility. Perhaps I could go on to talk about credibility and say that the Premier's credibility is in question because of what he recently said about bankruptcy figures and road maintenance tax.

Mr. J. T. Tonkin: I would not push that too far, because I have stuff in my drawer that I will tip upon you at the first opportunity.

The SPEAKER: Order! I think the member for Cottesloe should return to the Bill.

Mr. HUTCHINSON: I am just waiting for that drawer to be upended. I am keen to hear about this.

Mr. J. T. Tonkin: You will not be so keen when I start.

Mr. HUTCHINSON: That is fine. Presumably the Premier wants to find a skeleton in my closet, but how many does he think I might find in his?

Mr. J. T. Tonkin: You have had a long time to look.

Mr. HUTCHINSON: I would have a big closet to search.

Mr. Graham: Which part of the Bill is this?

Sir David Brand: The skeletal section.

Mr. HUTCHINSON: I make the point—

Sir David Brand: What point was that again?

Mr. HUTCHINSON: —that I do not believe the difference of \$11,000,000 exists in a true comparison. If I am correct, it is difficult for us fully to believe some of the remarks the Minister makes and it is unfortunate he said this. Credibility is something about which Governments must be very sensitive—and appropriately so. It behoves an Opposition to point out to the public that these things are in question.

Mr. J. T. Tonkin: If you dispute the figure of \$11,000,000, there is an obligation upon you to give us the figure you think it should be.

Mr. HUTCHINSON: I have already told the House—

Mr. J. T. Tonkin: How much?

Mr. HUTCHINSON: —that I cannot give a figure.

Mr. J. T. Tonkin: You are not entitled to dispute a figure given until you can give a figure to take its place.

Mr. May: It is very difficult to make a comparison.

Mr. HUTCHINSON: Yes, it is very difficult. That is why I could not formulate a figure of my own, but the Minister did and I think he based it on the royalties of  $7\frac{1}{2}$  per cent. and  $3\frac{3}{4}$  per cent.

Mr. Graham: How can you say my figures are wrong if you cannot make an assessment yourself?

Mr. O'Neil: The Minister for Mines has already said that he does not know how a comparison could be made.

Mr. HUTCHINSON: To base a comparison on the royalties outlined in the Ludwig agreement with the 11 per cent. in the new agreement is not fair, because the processing obligation in the Ludwig agreement provided that the royalties would be lifted from  $7\frac{1}{2}$  per cent. to  $11\frac{1}{2}$  per cent.—raised, that is, by 50 per cent.—if that processing obligation was not entered into.

Mr. J. T. Tonkin: The Ludwig agreement you are talking about never came to Parliament.

Mr. HUTCHINSON: Yes.

Mr. J. T. Tonkin: Was it ever signed?

Mr. HUTCHINSON: It was an agreement.

Mr. J. T. Tonkin: Was it ever signed?

Mr. May: It is like the Pilbara plan.

Mr. HUTCHINSON: The question is: Who led in the field of increased royalties?

Mr. J. T. Tonkin: If you did not have a signed agreement to pay a certain figure in royalty, you were not entitled to use it.

Mr. HUTCHINSON: Here is the agreement which was signed—the Iron Ore (Nimngarra) Agreement, 1967.

Mr. J. T. Tonkin: Is that what you are calling "the Ludwig agreement"?

Mr. HUTCHINSON: That is right. That is what it is commonly known as.

Mr. J. T. Tonkin: Did it ever come to Parliament?

Mr. HUTCHINSON: Of course it did.

Mr. May: Not Ludwig, though.

Mr. J. T. Tonkin: I thought Ludwig pulled out of everything.

Mr. HUTCHINSON: Yes. It did not go forward.

Mr. J. T. Tonkin: How on earth could it be an agreement with Ludwig if he pulled out of everything?

Mr. HUTCHINSON: It was not proceeded with. This new agreement superseded the old one, and in order that the new agreement can become legal it is arranged with the Sentinel Mining Company that the payments are to be payable by the Goldsworthy joint venturers. I do not want to formulate a figure in the \$11,000,000 but I say again—

Mr. J. T. Tonkin: It is a case of not being able to do so.

Mr. HUTCHINSON: I am not able to do so for the reason I have already given. The difference would not have been so great because if it had come to fruition the processing commitment would have covered the situation and closed the gap the Minister has spoken about better than the old \$11,000,000 he mentioned. That made the difference. That is the only thing I wanted to try to describe in order to put the situation a little more into perspective than it was when the Minister first spoke.

As I said at the outset, this is a consent agreement and we wish it well. It will enable the Goldsworthy Mining Company to proceed with a much longer life than it would have had otherwise.

MR. GRAHAM (Balcatta—Minister for Development and Decentralisation) [8.42 p.m.]: I am obliged to the member for Cottesloe for his remarks. It is a pity we find ourselves diverging on the matter of royalty. I think he is adopting somewhat of a debating society attitude rather than discussing the merits of the measure. I want to assure him and the House that there was and is no intention whatsoever to deceive or to claim credit to which the Government is not entitled.

The member for Cottesloe is on very weak ground. He did not know the figure and he merely cast very grave doubts—indeed, reflections—on the integrity—

Mr. Hutchinson: No. I said "credibility."

Mr. GRAHAM: —on the credibility firstly of the Government and then of the Minister. I want to put him right and I will read the words that were presented to me on a typewritten sheet by the Coordinator of Development and Decentralisation after discussions with the Under-Secretary for Mines. I should say nobody in Western Australia would be better able to assess the situation than those two gentlemen. I read, word for word—

The new royalty rate will mean an estimated return to the State of \$32,000,000 compared to \$21,000,000 under the earlier royalty provisions.

I added my own words to that by saying "an increase of \$11,000,000."

I think that before casting aspersions the honourable member had an obligation to prove his point, not merely to cast doubts on the veracity of figures supplied by someone else.

Mr. Hutchinson: Would you do something to try to check on this for me? If I was wrong, I will apologise. Would you check whether they based the \$21,000,000 on the  $7\frac{1}{2}$  per cent. or the  $3\frac{1}{2}$  per cent.?

Mr. GRAHAM: I could do that but I should say two top-ranking and experienced officers of the Government service would hardly be likely to supply the Minister, on behalf of the Government, with figures that are not reliable.

Mr. O'Neil: The point we are making is that under the old agreement if there was not some processing commitment within six years the royalties rose to more than those figures—to  $11\frac{1}{2}$  per cent., I think.

Mr. Hutchinson: Yes. That was for only one type of ore.

Mr. GRAHAM: The member for Cottesloe was endeavouring to make something of the fact that there were other obligations under the earlier agreement.

Mr. Hutchinson: Pioneering obligations.

Mr. GRAHAM: That is so. It was pointed out by the Minister for Mines that there are nevertheless obligations on the Goldsworthy Mining Company because of the new responsibilities it has undertaken.

Secondly—I think this should be pointed out and it is not a matter of the Government preening itself; it is a statement of the facts of life—the Sentinel Mining Company wanted to sell its reserves to Goldsworthy. The Government stepped in and said it would not allow this, that it felt the estate was not to be traded in because it belonged to the State, and that we would ensure the Sentinel Mining Company was recouped all of its outlay. That is in the agreement. Then, because of the convenience to the Goldsworthy Mining Company, we felt there was an obligation on that company to pay a higher royalty. We have done those things, which will result in an additional \$11,000,000 flowing into the State Treasury—

Mr. Hutchinson: I would like that checked again.

Mr. GRAHAM: —even though it be true that there will be less infrastructure. What is the sense in building two railway lines if one will do? It is surely to the advantage of the State that there should be one railway line instead of two.

Mr. Hutchinson: I spoke about the benefit of new infrastructure which permeates right through industry and creates employment opportunities.

Mr. GRAHAM: Perhaps it does, but I thought one of the objects of this Pilbara exercise was that there should be co-ordination—

Mr. Hutchinson: So there should.

Mr. GRAHAM:—to eliminate duplication, overlapping, and that sort of thing. I feel there has been much ado about nothing. Perhaps it is just a question of whether it would appear the Government is endeavouring to claim too much credit, some of which is not its due entitlement. That seems to be the burden of the remarks of the member for Cottesloe. Suffice it to say he is not opposed to the agreement and he wishes the State well. The agreement will result in a more co-ordinated activity which will be to the advantage of the Goldsworthy Mining Company and of the State through the additional sums that will flow into the Treasury. I hope the figure is higher than \$11,000,000.

Mr. Hutchinson: I think you will find it is less.

Question put and passed.

Bill read a second time.

*In Committee, etc.*

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

*Third Reading*

Bill read a third time, on motion by Mr. Graham (Minister for Development and Decentralisation), and transmitted to the Council.

## TRAFFIC ACT AMENDMENT BILL (No. 2)

*Second Reading*

Debate resumed from the 27th April.

MR. O'CONNOR (Mt. Lawley) [8.51 p.m.]: The Bill we have before us is a very small measure but it does contain a great deal of meat. It is a Bill to amend section 11A of the Traffic Act, but most people regard this as a complete police takeover of traffic.

I must say this comes as no shock to the members of the Opposition, and I am sure most people of the State have expected it to come before the House during this session of Parliament. However, I must say many people, and particularly country people, have not looked forward to it in any way.

In my opinion the control of traffic at the present time leaves much to be desired. In many cases country traffic operates in

its present form quite efficiently and the metropolitan traffic operates in a similar manner. However, I believe we should have the best system possible and in my opinion this means that traffic should be under the control of one body.

I do not believe the system put forward by the Government is the best and I will go on to suggest an alternative which I feel is possibly better than the Government's proposal. The Government may not agree with me.

In my opinion it is essential that traffic is controlled by one body throughout the State, which would benefit traffic generally. Administration could be carried out from one centre which should be in the metropolitan area and the body would control traffic throughout the State. We would thus have a systematic State operation instead of the disoriented one which we now have. We would have a centralised vehicle records system which could incorporate all traffic operations in the country and metropolitan areas under one control.

I believe this organisation could be made up of police and country traffic inspectors initially and the proper training of traffic inspectors could be arranged. In itself this is essential. We have a number of good men in this field, and if we bring the control of traffic under one administration, the number of qualified men we have at the present time—whether police or traffic inspectors—would be insufficient.

At the present time a policeman straight out of police school could be posted to a country centre, such as Port Hedland. He may be handing out licenses when he has only just received a license himself. There have been instances of a policeman granting a person a license to drive a vehicle which the policeman is not qualified to drive. I know the police are not entitled to do this, but it does happen.

Mr. Burke: Have you proof of it?

Mr. O'CONNOR: I know of cases, and if the honourable member is fair and thinks about country towns, such as Leonora, he would realise that only one policeman may be on duty at a particular point of time.

Mr. Burke: Are you prepared to give me proof of this outside the House?

Mr. O'CONNOR: I can get it for the honourable member. Let us be fair about it instead of whistling in the dark. I will tell the honourable member later.

Take the case of a policeman who is alone on duty when a person applies for a license to drive a large truck. What does he do? Does he tell the applicant to go away and come back in a fortnight's time or a month's time when somebody else

may be on duty? These things do happen, but they are not in the best interests of the community.

Training of the men is very important. We could have a highly-trained team of specialists to control highway traffic in this State. I envisage an organisation with radio contact and highly-qualified men. I believe this would be a better system than the one explained by the Minister.

It would be necessary to grant special powers to these individuals and the administrative organisation. The staff at headquarters would be responsible for the registering and recording of the various men in the State who have the necessary qualifications to go to the centres to organise and operate an efficient set-up.

Mr. May: When policemen go to country areas, are they not qualified for all licenses?

Mr. O'CONNOR: No.

Mr. May: I thought they were.

Mr. O'CONNOR: They are not entitled to issue a license which they do not hold themselves because they may be required to drive that vehicle. The Minister for Housing may know the score. However, policemen who do not have these qualifications are sent to country centres, and this practice is not desirable.

I would suggest that men be selected to undertake a course with the National Safety Council to obtain qualifications up to a certain standard before they are sent out into the field. I know this already happens in country centres—most of these men have all the qualifications. I do not know the exact figures, but possibly we have 100 policemen and approximately 100 to 105 traffic inspectors who have these qualifications, and these men should be sent out into the field straightaway.

The cost of setting up special facilities for vehicles, the housing of them, and the housing of the police at all country centres would be extremely high. The local authorities are using offices at the moment and it is my suggestion that we could take these over. In many cases housing is available for the traffic inspectors. These facilities could be used to operate at a much lower cost than would otherwise be the case. We could save the taxpayers a great deal of money.

In return for this we could provide some assistance to the shires, many of which are in extreme difficulties. We all know of the rural recession in this State and if the local authorities lose the license fees it may be the last straw which breaks the camel's back.

In his policy speech the Premier stated that his Government would hand over traffic control completely to the police. He also said—

Because many shire councils are very largely dependent upon licence fees, Labor will closely examine this aspect of its proposed change in traffic control for the purpose of ensuring that the requisite finance is available to the shire councils for the work they have to perform.

I would like some clarification on this, because I am quite sure the Premier can see that if this function were taken away from the shire councils the requisite amount for the work they perform would be nil.

Mr. J. T. Tonkin: No, it is for the work they have to perform in their districts, irrespective of traffic control.

Mr. O'CONNOR: Maybe I have complicated it a little, but can I ascertain that even though this work will be taken away from the shires they will be compensated to the extent to which they lose?

Mr. J. T. Tonkin: I wanted to ensure that they would have adequate funds, without having to increase the impost on the ratepayers, to enable them to carry out the remaining functions which they would perform.

Mr. O'CONNOR: I am glad to hear that. It clears up the point. As I said, I believe the administration block should be in the metropolitan area and that a board of some sort should be established within the organisation. I suggest it should be set up in order to organise this function. I suggest we should have on the board a member from the Transport Department, a member from the police—because I think that would be essential—and one member each from the Main Roads Department, metropolitan local authorities, and country shires and councils.

When reading the Minister's speech I was a little amazed at a couple of the comments he made. Frankly, I was unable clearly to understand what he meant. As a matter of fact, one of his arguments appears to me to conflict considerably with another. The Minister said—and I quote from his speech—

It is not visualised that a force of less than 400 could adequately cover the "X" miles of road throughout the State with any degree of success. With a nucleus of 100 traffic officers from the Police Department, the loss of which the department could ill afford, it would still fall far short of a force strong enough to give any benefit of closer and tighter law enforcement.

I will refer to this again later when I make reference to a certain clause. During this week I asked questions of the Minister in

connection with the number of policemen operating in this State, and the Minister gave me the information I required. I asked—

- (1) What is the maximum number of police that can be employed in the W.A. Police Force under the present regulations?

The Minister replied that the authorised strength is 1,650. I also asked—

- (2) Is there more employed than actually authorised?

The Minister replied—

Yes. To provide against wastage. I further asked—

- (3) Is there a surplus of police to cope with normal police duties at present?

To which the Minister replied, "No." Therefore, there are no superfluous police, and in his second reading speech the Minister indicated it would be very difficult for the Police Force to put 100 men onto traffic control at this time. In his speech the Minister also said—

It cannot be stressed too strongly that the Police Department can, upon immediate application, throw in some 400-odd men on traffic enforcement in the country.

To me that comment seems to be in extreme conflict with the point of view expressed that the Minister has no surplus men available in the force. The Minister said previously that he would have difficulty in supplying 100 men. I would like him to explain to the House, if a difficulty does exist, from where he will get the 400 men. I believe it would be extremely difficult to find 400 men with the requisite qualifications and nature for this job in Western Australia, let alone to find those men within the Police Force. I doubt whether there are 400 men with the required qualifications in the Police Force.

Mr. Bickerton: We already have police there, of course, who will be carrying out certain duties which they would carry out after the takeover.

Mr. O'CONNOR: Of course, but not men with the qualifications and experience in the control of traffic that is necessary for the job.

Mr. Jamieson: One of the basic things a policeman learns is the handling of traffic.

Mr. O'CONNOR: Is the Minister for Works trying to tell me that a policeman can be taught how to handle traffic and then sent to a country centre for 10 to 15 years and still be thought to be qualified?

Mr. Bickerton: He is qualified in the overall field of traffic control. This applies in the other States. You do not need to have an expert in traffic control in every town you visit.

Mr. O'CONNOR: I believe we in this State should set an example and provide something better than that provided in other States.

Mr. Jamieson: What are the present qualifications of an ordinary shire traffic control officer?

Mr. O'CONNOR: They are the same as the qualifications of many of our police. Some of those people have been through the safety school.

Mr. Jamieson: What are their qualifications? They have none.

Mr. O'CONNOR: The Minister knows what I am referring to. I think we should set standards—

Mr. Bickerton: Half of the traffic inspectors in country towns are shire clerks.

Mr. Nalder: How long is it since you have been in the country?

Mr. Bickerton: Unless things have changed over the last three or four years in many cases the shire clerk is also the traffic inspector.

The SPEAKER: Order! The member for Mt. Lawley.

Mr. O'CONNOR: It is fairly obvious the Minister has not been to the country.

Mr. Jamieson: It is a long time since you have been to Nullagine.

Mr. O'CONNOR: Well, according to all reports the Minister has not been near Paynes Find recently. We do not see so many questions on the notice paper now. I hope the school there is still proceeding normally.

Mr. Jamieson: We have that matter straightened out now.

Mr. O'CONNOR: I believe we have an opportunity to establish a system which will be better than that in use anywhere else in Australia. I believe we could set up a highway patrol organisation, operated by the people I suggest. Those people will attend schools and obtain qualifications in the handling of motor vehicles and in the handling of people. Both those points are important. I think we have the nucleus of my proposed organisation in our present traffic police and our present traffic inspectors in the country centres.

I believe the police have a separate duty to perform; that is why I am loath to place the control of traffic completely in their

hands. Our State is following the pattern of all other countries in the world—at least those I know of—inasmuch as, unfortunately, there is an increase in crime. In my opinion the police have a job to perform; that is, the detection, apprehension, and conviction of criminals. The police are there to protect the public in this regard. I feel we should leave them to maintain law and order. They have the job to apprehend people concerned with theft, liquor, the use of drugs, and many other things. If, as the Minister suggests, he will have policemen in the country and metropolitan areas working partly on police work and partly on traffic control we will not have an efficient organisation. I say this because it is quite obvious that when police work must be done these fellows will do the police work and neglect the traffic work.

I believe traffic control is most important, especially bearing in mind that each year in Western Australia something like 300 people die on our roads. We should set up a strong, efficient organisation to handle traffic control.

Mr. Bickerton: This will probably come; but I think you will agree that in the initial stages we will probably have to use those who are already in the Police Force in isolated areas to carry out a portion of traffic work.

Mr. O'CONNOR: I believe there will be a phasing stage, and probably we will have to take over various areas at various times. We might start with the south-west in the first place, then move to the great southern, and then take over the control of traffic in the north-east.

Sir David Brand: This legislation does not say that.

Mr. O'CONNOR: No, but I believe plans are to be drawn up in regard to the programme for the take over.

Mr. Bickerton: The initial step to be overcome is to bring traffic under the control of the police throughout Western Australia. That is the purpose of the Bill.

Mr. O'CONNOR: I do not agree that this is the initial step. I consider that the suggestions I am making are preferable.

Mr. Bickerton: I am not saying that your suggestions are wrong; I am just pointing out what the initial step is.

Mr. O'CONNOR: If this is the Minister's initial step I think his step is in the wrong direction.

Mr. Bickerton: I am not a bad waltzer.

Mr. May: I have an application from a small community for a policeman to act as a mining registrar in its area.

Mr. O'CONNOR: I would be loath to agree to that application.

Mr. May: This is a request from a country area.

Mr. O'CONNOR: I believe a policeman has a particular job to do, and I think he should not be called upon to perform these outside duties, because crime is increasing at such a rate we should control it in the best possible way.

Mr. Brady: Do you think we should have a highway patrol similar to that in New Zealand and in the United States of America?

Mr. O'CONNOR: In New Zealand there are 17 local authorities acting in conjunction with the Police Force and in that country there is, of course, the lowest rate of road deaths in the world. However, I do not believe we can rely on statistics alone, because they can be made to lie. I think the Premier has done the correct thing in sending one of our traffic superintendents to Sweden. He is a man who has had a good deal of traffic experience, but Sweden is completely different from Western Australia. It is a very small country with something like eight times our population and is probably one-fiftieth the size of Western Australia. Quoting figures on the basis of a square mile, in Sweden there would probably be 20 or 30 policemen to the square mile compared with only one to the square mile in this State.

The size of our country must be taken into consideration. We cannot just accept statistics and say, "This reveals the true position" simply because another country has achieved better results. Many conditions must be taken into consideration apart from straightout statistics.

Everyone is extremely concerned at the loss of life and the high accident rate on our roads. The Press has done everything it can to try to improve the situation. It has conducted various competitions through its columns and, wherever possible, it has been co-operative with all Governments in an effort to stem the steady tide of traffic accidents.

I believe that the administrative organisation that I suggest could operate separately as an efficient body. It would have control of traffic in all centres throughout the State and, what is more important, it would have radio control from all centres and over all vehicles. To begin with this would improve the set-up tremendously, but apart from having an organisation on that basis we should also have a highway patrol.

Mr. Graham: Have you given any thought to the possible cost of setting-up an entirely new organisation on a State-wide basis?

Mr. O'CONNOR: Yes.

Mr. Graham: How many millions of dollars per annum would it cost?

Mr. O'CONNOR: Let the Deputy Premier tell us what this other organisation will cost.

Mr. Graham: But these men are already posted in the various country centres with offices and lines of communication.

Mr. O'CONNOR: The Deputy Premier is asking me a question and expects me to give an answer, but I would point out that the Minister was unable to answer my question.

Mr. Bickerton: That is not true. The matter to which you were referring a while ago—namely, as to how we could support 100 police officers at one centre or another—was the argument put up against having a separate force within the Police Force to control traffic alone. You have taken that statement out of context and said, "If this takeover is proposed we could not afford it." The point is that the Police Force, with its existing facilities and, to some degree, with some further numbers, can handle the situation at this stage, but a separate force would involve a considerable amount of added expense and additional personnel. Are you clear on that now? I do not want to go through it all again.

Mr. O'CONNOR: Can the Minister work out how much the complete police takeover will cost?

Mr. Bickerton: I would not have a clue.

Mr. O'CONNOR: The Deputy Premier is complaining because I cannot tell him what a separate organisation would cost, yet the Minister has all the facilities available to obtain the information.

Mr. Graham: It would cost far more to start an entirely new organisation.

Mr. Bickerton: Why don't you put a question on the notice paper asking how much it will cost?

Mr. O'CONNOR: Because the Minister would not be able to answer it even then.

Mr. W. G. Young: I put a question on the notice paper asking for information in regard to four particular shires and I could not get an answer.

Mr. Bickerton: It is not always easy to get an answer in regard to a particular shire.

The SPEAKER: Order! The member for Mt. Lawley.

Mr. O'CONNOR: I am quite sure, Mr. Speaker, you will let me continue my speech despite these rowdy interruptions.



The point is that the facilities I suggested already exist in most country centres and therefore would reduce the cost rather than increase it and it would be preferable to the police takeover method.

Mr. Nalder: That is right. We would have to set up a "Jack-of-all-trades" department.

Mr. O'CONNOR: The organisation that I suggest would have a system of radio control which I think is extremely important. It could operate special vehicles and, if required, they could be marked in a special way, although I often think that traffic offenders could be apprehended more easily if vehicles were not marked. However, in some cases it is advantageous to have police vehicles marked in much the same way as vehicles of the highway patrol in America are marked.

Mr. Bickerton: Having not been apprehended by one I would not know.

Mr. O'CONNOR: They may have been more kindly disposed towards the Minister. The suggested organisation would also have a computerised register to record licenses. This could operate quite efficiently. Another matter that could be taken into consideration at this point of time is the question of conducting inspections of vehicles prior to their being licensed. I am sure this could be organised in some way. I believe that in some country centres already certain traffic inspectors require a certificate from garages indicating, before the vehicle comes up for registration, it is roadworthy in every respect. I think there is some benefit in this procedure which could be organised through garages in country centres so that there would be some assurance that the vehicles on the road are completely roadworthy and in the best possible condition.

I am a little concerned that there is an indication that inspectors in country centres will not have their best interests looked after. I say this not without some thought and not without some facts with which to support my statement. In his speech the Minister gave some indication that there would be some work for a traffic inspector. I have here an article from the *Police News* which I think is very relevant to the Bill before us because I, for one, believe that a traffic inspector who has given 20 or 25 years' service, or even less, in a country centre should be accorded reasonable consideration under the provisions of this Bill. I understand that any officer over 45 years of age will not be employed in this organisation. This is not just, because an officer may have joined the Police Force at 20 years of age and spent 25 years' genuine service in a country centre.

Mr. Bickerton: What is your authority for saying that their interests will not be looked after?

Mr. O'CONNOR: I will quote it in a moment, but it is possible the Minister already knows of it.

Mr. Bickerton: You are possibly referring to the fact that he would not necessarily be engaged on traffic duties.

Mr. O'CONNOR: I am not trying to pull the Minister in at all, but I have something here I would like to read to him in a moment.

Mr. May: Would there be a policeman in the force who had 20 or 25 years' service on traffic duties?

Mr. O'CONNOR: Yes.

Mr. Bickerton: Would they be under 45 years of age?

Mr. O'CONNOR: I do not think they would be much under 45 years of age. These people have given good service; they know the game, and they are well qualified in this field. It will be a pity if their services are lost to the community.

I would now like to refer to an article which appeared in the *Police News*. This mentions a letter written to the General Secretary of the Police Union. The letter is as follows:—

General Secretary,  
Western Australian Police Union  
of Workers,  
257 Adelaide Terrace,  
Perth. 6000

Dear Sir,

re: Employment of Members of Various Shire Traffic Staff absorbed into the Police Force on takeover of Traffic Duties by the Police Department.

A Traffic Inspector must meet with all the normal requirements of a Police inductee except that the age limit will be extended to 45 years.

That indicates not every person over 45 years of age will be taken in.

Mr. Graham: Who is the author?

Mr. O'CONNOR: I will show the Minister the letter later on. To continue—

In effect, he will be required to sit for and pass the Entrance Examination and meet the physical, medical and character requirements.

As he will be inducted to be a duly appointed Police Officer with all the powers and responsibilities of that office, he should, if at all possible, pass through the normal Academy training course with other inductees.

If a Traffic Inspector desires employment with the Force and cannot meet the foregoing requirements, he could possibly qualify for a position as a Civilian Vehicle Examiner.

These same conditions apply to ex-members of the Force who, at the time of any traffic takeover, are engaged on the Traffic staff of any Shire.

Numbers allocated any such inductees will be as at present prevails and they will take their position on the Seniority List according to their number, which will naturally be junior to any serving member.

This would make an officer with 25 years of service junior to an officer who had just come out of the police school and had completed a day on the beat. This is not a very fair method of determining seniority.

Mr. Graham: Do you know where we can find these traffic inspectors who have been continuously employed on those duties for 25 years?

Mr. O'CONNOR: If the Minister wants to employ them I can arrange to supply him with their names.

Mr. Graham: Can you mention the centres?

Mr. O'CONNOR: I think there was one at Busselton who served for that period, and someone has mentioned another at Donnybrook.

Mr. Bickerton: They are very isolated cases.

Mr. O'CONNOR: But these people have given good service.

Mr. Bickerton: There are so few of them that I am sure their cases will be looked at.

Mr. O'CONNOR: They will not be satisfied if their cases are only looked at.

Mr. Bickerton: Do you believe all the letters that are written to the editor and published in the Press?

Mr. O'CONNOR: No. To continue with the letter—

Traffic takeovers are a matter of Government decision after consideration and advice from this Department as to practicability when sought by Shires, and this will remain the practice until legislation to control takeover is introduced and becomes effective.

Yours faithfully,  
A. L. M. WEDD,  
Commissioner of Police.  
February, 2, 1972.

No doubt that official document would cause concern to a number of traffic inspectors in country areas.

Mr. Nalder: What salary did they receive and what would be the decrease in their salaries?

Mr. O'CONNOR: Some of the inspectors in the country areas who are now receiving about \$160 a week will be receiving about \$90. In many cases it will be a drop of \$70 a week.

Mr. Graham: That ought to make members of the Country Party satisfied, judging by their general attitude to wage levels.

Mr. W. G. Young: Where did you get that idea from?

Mr. O'CONNOR: Does the Premier desire me to continue?

Mr. J. T. Tonkin: How long do you intend to continue for?

Mr. O'CONNOR: Probably half an hour. I did hear that it was intended to adjourn the House at about this time, but if members prefer me to carry on I am prepared to do so.

Mr. J. T. Tonkin: I would like you to finish your speech. Having sat late last night and having sat since early this morning it is reasonable that we should finish at about 9.30 p.m., but if you want to continue go ahead.

Mr. O'CONNOR: I am prepared to do as the Premier pleases, as long as I am permitted to continue my speech on Tuesday next.

Mr. J. T. Tonkin: I do not think you should have two bites of the cherry.

Mr. O'CONNOR: I was only trying to be helpful. In introducing the second reading of the Bill the Minister said that it was sometimes argued the police should not concern themselves with this traffic problem. I do not know that anybody else has said the same thing. I think this has only been said by people who have had other problems and who were trying to cover up. Obviously this point does concern the Minister to some extent.

Regarding the replacement organisation the Minister said that it was to be built up of people of integrity and intelligence. He was speaking about the new police set-up. Surely we have such types of persons in the members of the Police Force, among the traffic inspectors, and in the members of the country shires. I am sure they are people of integrity and intelligence; if not they would not be in their present positions.

Mr. Bickerton: It was only intended for the purpose of building up a force similar to that.

Mr. O'CONNOR: I am indicating to the Minister the source from which he can recruit this force. If we are to build up a force of this nature there is no time like the present to do so, because there is now a large number of unemployed people in this State, included in which are some with fairly high qualifications in different fields. A number of these people will be extremely interested to be appointed to permanent positions, following their present difficulties. I think at the present time we have a great opportunity to recruit suitable persons to the force.

The Minister is aware that when applications for a police school are called a great number of people apply. I think that in the last school something like 400 people made application. It is fairly obvious that quite a large number of suitable people are available; all that is required is the training of them.

The Minister also mentioned in his speech that these officers needed somewhere at which to report, and he referred to special stations. I agree with him, but there are the present set-ups of the shires which have most of the facilities available to enable these officers to report there.

The Minister mentioned well-signed and well-driven cars. We want this at all times, and we need highly efficient cars and properly trained drivers. If they are well signed, does it matter who drives them?

The body which I have proposed should be established could also be charged with carrying out driver-education in the schools. There might be a number of these officers who are too old to perform duties on the road, such as chasing vehicles at high speeds. The officers who have the necessary qualifications and experience could be used to give driving instruction at the schools. By that means we will have in the future better drivers among the young folk. In my view driver-education is extremely important and what I have proposed will help considerably in that direction. We must realise that children have a bearing on the way in which their parents drive.

The day before a child goes for a drive with its parents, an inspector might have spoken to the child at school regarding certain safety aspects including speeding. It is quite possible that the child will pass the information on to his parents and ask the parent who is driving to slow down.

I have mentioned details regarding statistics and have indicated that many times they can be used to reveal anything but

the truth. The Minister went on to say that he doubted that an organisation of the size and quality visualised to take over traffic law enforcement could be recruited under present-day labour conditions. I point out that if ever there was a time to recruit the labour, it is now.

Mr. Bickerton: You must bear in mind the standard of living must be fairly high and all sorts of other matters are involved, including long service leave, annual leave, superannuation, and the rest of it. It is not just a matter of realising that someone is out of a job and that we can give him a job in the Police Force at a lower standard of living. You cannot do that.

Mr. O'CONNOR: If the organisation were established, it would be possible to recruit people who, at the moment, are living at a lower standard than they would be if they were given a job in this organisation. They would be quite willing to take on the job and could be trained in the proper way.

It is probable about 100 policemen would already be sufficiently qualified to move in immediately, as would be the case with traffic inspectors.

Mr. Bickerton: Are you not jumping from the frying pan into the fire? You want the police to take over and you want another separate organisation within the Police Force.

Mr. O'CONNOR: That is not what I want. That is what the Government wants. The Minister suggests that it will be a police force within the Police Force because the new organisation would be operating within the Police Force. My idea is to take it out.

Mr. Bickerton: To be used on similar duties as those in the Police Force.

Mr. O'CONNOR: To give the necessary attention to traffic, which attention I believe is not being given now. I say that the police could then go ahead and do their proper job of crime detection, etc.

Mr. Bickerton: Most crimes take place in vehicles.

Mr. O'CONNOR: If the Government so desired, it could take over everything on that basis. The police drive vehicles on roads, and therefore the police also could take over roads, if the Government wished.

We must be reasonable and operate in a way which is desirable. As I have said I believe one body throughout Australia would be advantageous.

Mr. Bickerton: That is what happens under this.

Mr. O'CONNOR: Yes—a body within a body.

Mr. Bickerton: A police takeover of traffic. It is as simple as that.

Mr. O'CONNOR: I say we should have control by a specialised body and not by the police who are doing 90 per cent. police work and 10 per cent. traffic work. Let them be engaged 100 per cent. on the job we want them to do because it is an important one. Road traffic and accidents are something we must tackle, and tackle properly.

Mr. Graham: Why be different from the rest of Australia?

Mr. O'CONNOR: Why do we have to follow the rest of Australia all the time? We have heard the Minister say that before. If we have a better idea, why not adopt it? I believe that my suggestion is better.

Mr. Bickerton: You cannot demonstrate it will be better. You only hope it will be better.

Mr. O'CONNOR: The Government only hopes that what it suggests will be better than what I suggest.

Mr. Bickerton: The police normally patrol the roads and travel from place to place. The job is half done already as it applies to the metropolitan area and those shires which have been taken over.

Mr. Graham: And they do not have to stop because they come to a shire boundary as is the case in those shires which have not been taken over.

Mr. O'CONNOR: The Ministers are changing from one point to another so quickly I cannot keep up with them.

Another extract from the Minister's speech is as follows:—

The posting of additional police, as proposed if enforcement control of traffic is vested in the police, would provide the presence of officers who could be deployed to any duty as the occasion arose—

Mr. Bickerton: That is right.

Mr. O'CONNOR: To continue—

—and would, in fact, serve a two-fold purpose.

Mr. Bickerton: That is true.

Mr. O'CONNOR: I believe traffic is important enough to be a one-fold purpose.

Mr. Bickerton: Do you want another person to look after rape and another to look after robbery?

Mr. O'CONNOR: I do not. I want the one policeman to deal with crime detection and apprehension on the way through. There is nothing wrong with my suggestion. It would allow personnel to qualify and be trained to handle the whole job, a job which is so very important in this State and which has some connection with the cause of the greatest number of deaths, except, perhaps, heart attacks.

Mr. Bickerton: Imagine a person going to a police station to report an accident and the constable on duty saying to him, "No. That is not my job. The fellow who does that is out on his motor bike at the moment. You must sit here and wait until he comes back." That is the very thing we are trying to overcome.

Mr. O'CONNOR: Under my suggestion he would not have to go to the police station.

Mr. Bickerton: Where else would he go?

Mr. O'CONNOR: The Minister has not been listening to me.

Mr. Jamieson: You are pretty hard to follow.

Mr. Bickerton: He must go to someone to report an accident and one of your fellows might not be there for him to see.

Mr. O'CONNOR: But in the shire—

Mr. Bickerton: He would be going backwards and forwards from one to another while the constable and shire clerk argued as to whose responsibility it was.

Mr. O'CONNOR: If my suggestion is adopted he will know to whom he must go. I believe the two-fold purpose is not beneficial. It is like a person trying to light a match with one hand while stirring a cup with the other, and the system will not benefit the State in the long run.

I asked the Minister a question concerning the number of traffic inspectors, etc., and he advised me he was not able to give this information. However, I believe we have something like 105 in this State and sincere consideration should be given to their future. If they are to have their jobs taken away from them it will mean they have spent a lifetime for virtually nothing.

Mr. Bickerton: To the best of my knowledge no complaints have been made by the shires already taken over.

Mr. O'CONNOR: I am complaining on behalf of a number of people in country centres.

Mr. Bickerton: To date I have received no complaints from the shires already voluntarily taken over.

Mr. O'CONNOR: I have heard of some complaints from Esperance and Albany. I do not have anything concrete to submit at the moment, but I do believe that less time is being spent now on traffic on the roads in the Albany and Esperance areas than was spent before the takeover.

Mr. Bickerton: You bring something concrete to me and that will cement our relationship.

Mr. O'CONNOR: I do not want anyone to think I am trying to discredit the Police Force because I have the highest regard for it. It is competent and employs a very good type of fellow. At odd times, as in any other field, an individual will get out of hand and cause trouble. Unfortunately when the trouble involves a policeman it is given far more publicity than otherwise would be the case. Normally our force is good and I am not trying to discredit it in any way at all.

The Minister went on to say that in the interests of local authorities and traffic, personnel will be safeguarded. If he intends to safeguard them, he will have to override the instructions given by the Commissioner of Police in a letter written on the 2nd February, 1972. In view of what the commissioner has suggested in that letter, the safeguard for these boys will not be very good and I therefore request the Minister to give consideration to overriding the instructions given in that letter so that the boys will be better looked after than is suggested.

The Minister also said that he was considering setting up a third organisation. This would mean we would have the Police Force, an organisation for police takeover, and yet another one for vehicle and drivers' licences. Frankly, I have seen the recommendation in connection with this made by the Police Department to the Minister. However, I believe that one organisation should handle everything whether it be by way of police-control or the way I have suggested. Its personnel would be fully qualified in that field and consequently no need would exist for the establishment of a third body.

Various people were a little concerned because the Minister for Police virtually wiped them off when they wanted to dis-

cuss this matter with him. He apparently advised them that he had a policy and consequently no point would be served by discussing the matter further with them. I have been approached on this subject and been told that the Minister was not prepared even to listen to their brief.

In a letter which the commissioner sent out he made it very clear that he was not prepared to alter his views. He said that at the present time there was no necessity to debate the pros and cons of the question and that all aspects of the plan would be discussed with the shires in order to reach an amicable agreement. He said that every submission would be carefully considered at the appropriate time. I do not know whether he has yet discussed all aspects with the local shires but from what I understand such discussion has not taken place.

Another point which concerns the shires is the amount of money they will receive as a result of the takeover—if there is a takeover. At the present time running costs amount to 3.50c a mile for shire vehicles, and 5.50c a mile for police vehicles. This is a very big difference when hundreds of thousands of vehicles are involved. From information which has been made available it appears that shires are able to operate their vehicles at a cheaper rate than the Police Department.

I think I have covered most of the points. I may have some more to say in connection with this matter during the Committee stage of the Bill. I ask the Minister, the Premier, and the Government to reconsider the idea of a police takeover, and to give consideration to the setting up of the organisation which I have suggested. I believe that such an organisation would result in a better use of shire buildings which could be left vacant as a result of a police takeover. My proposition would incorporate country traffic inspectors as well as the police, and I believe it would result in a more efficient operation of the Police Force.

Debate adjourned, on motion by Mr. Nalder.

## CONTRACEPTIVES ACT AMENDMENT BILL

### *Receipt and First Reading*

Bill received from the Council; and, on motion by Mr. Lapham, read a first time.

*House adjourned at 9.43 p.m.*