

reasonable suspicion should be necessary before a person is entitled to enter certain places. I would therefore like the Minister to give us some explanation of this in Committee or in his reply.

I know that this legislation is based upon legislation in operation in the Eastern States and is practically identical with it. However, I still think we should not just copy legislation from other places without having a look at it. We have just had an instance of where we could be making mistakes by following that course.

There is another point to which I wish to draw the attention of the Minister. If the Minister refuses a license or a transfer of a license, the applicant concerned has no right of appeal to any other authority. The Minister has dictatorial powers. We know that he is a kindly person and does not look like a dictator, but I still feel there should be some provision in the Bill for an appeal. I would like the Minister to consult the draftsman to see if this is possible. An appeal could, for instance, be made to a magistrate.

We know that if the Commissioner of Police refuses to grant a driver's license, the person refused has the right to appeal to a magistrate who then decides whether in fact the applicant is a fit and proper person to hold a license and whether justice has been done by the withholding of the license.

Apart from this point I have nothing but support for the Bill. It is vitally necessary because in a few years artificial breeding may have been developed on a commercial basis and before that is done it is essential that power is provided to control the users, suppliers, and storers of semen. As this Bill does give such powers to the board, I support it.

**MR. NALDER** (Katanning—Minister for Agriculture) [11.6 p.m.]: I have made a note of the points raised by the honourable member. As I said when introducing this Bill, it is designed to regulate the whole of the activities of the artificial insemination work being carried out in this State. A meeting of the various authorities in all States some years ago agreed that this should be the basis of the extension of artificial insemination work in every State of Australia. As the honourable member said, we are following legislation that has been accepted in all the other States.

We have, of course, authority to change the legislation if we feel it is necessary; but I would like members to accept it as it is and give it a trial run. If we find any weaknesses in it we can amend it as necessary.

As far as the appeal to the Minister is concerned, I would not know to whom anyone would appeal. The honourable member did not make any suggestion. This provision is contained in other legislation, but I will have the point examined.

I believe we should accept this Bill and give it a trial and if subsequently it is found by experience it is necessary to amend it, this can be done.

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. Nalder (Minister for Agriculture), and transmitted to the Council.

## TRAFFIC ACT AMENDMENT BILL (No. 3)

*Returned*

Bill returned from the Council with an amendment.

## ADJOURNMENT OF THE HOUSE: SPECIAL

**MR. BRAND** (Greenough—Premier) [11.12 p.m.]: I move—

That the House at its rising adjourn until 11 a.m. tomorrow (Friday).

**Mr. Graham**: What is the intended finishing time tomorrow?

**MR. BRAND**: The finishing time will be 6 p.m.

Question put and passed.

*House adjourned at 11.13 p.m.*

# Legislative Assembly

Friday, the 19th November, 1965

## CONTENTS

	Page
<b>ADJOURNMENT OF THE HOUSE : SPECIAL</b> ....	2694
<b>BILLS—</b>	
Artificial Breeding Board Bill—3r. ....	2686
Caves House Disposal Bill—	
2r. ....	2688
Com. ; Report ....	2686
3r. ....	2686
City of Perth Parking Facilities Act Amend- ment Bill—3r. ....	2686
Coal Mine Workers (Pensions) Act Amend- ment Bill (No. 2)—2r. ....	2693
Loan Bill, £27,170,000—	
Intro. ; 1r. ....	2687
Metropolitan Region Town Planning Scheme Act Amendment Bill (No. 2)—	
Intro. ; 1r. ....	2693

## CONTENTS—continued

	Page
<b>BILLS—continued</b>	
Members of Parliament, Reimbursement of Expenses Act Amendment Bill—	
Message : Appropriations .....	2682
Parliamentary Allowances Act Amendment Bill (No. 2)—	
Message : Appropriations .....	2682
Parliamentary Buildings Site Reserve Bill—	
2r. ....	2670
Com. ; Report .....	2673
3r. ....	2674
Reserves Bill—	
2r. ....	2666
Com. ....	2669
Report .....	2670
3r. ....	2670
Road Closure Bill—	
2r. ....	2657
Com. ; Report .....	2658
3r. ....	2658
State Tender Board Act Amendment Bill—	
2r. ....	2684
Com. ; Report .....	2685
3r. ....	2685
Wundowie Charcoal Iron and Steel Industry Agreement Bill—	
Intro. ; 1r. ....	2657
2r. ....	2674
Message : Appropriations .....	2682
<b>LOAN ESTIMATES, 1965-66—Com.</b> .....	2685
<b>POSTPONEMENT OF QUESTIONS</b> .....	2657
<b>QUESTIONS ON NOTICE—</b>	
Dam on Gascoyne River—Investigations : Money Allocated .....	2683
Electricity Meters in Flats—Rockingham Block : Application of Departmental Policy .....	2684
Land Subdivisions—Public Open Space Exclusions : Payment in Lieu .....	2683
Public Works Department Building—Barracks : Nature and Cost of Work	2683
Toilet Extensions : Cost .....	2683
Schools—	
Enrolments—	
Millen Infants' and Primary Schools : Attendances .....	2684
Survey of Future Attendances .....	2684
School-Leaving Age : Extension to 15 Years—	
Children Involved .....	2683
Teachers and Classrooms : Adequacy .....	2683
Senate Vacancy—Senator Vincent : Election of Replacement .....	2684
Service Stations at North Beach : Applications for Re-zoning of Sites .....	2683
Tyres on Government Vehicles—Forests Department : Makes and Average Mileage .....	2683

## POSTPONEMENT OF QUESTIONS

The SPEAKER (Mr. Hearman); I propose to follow the same practice which I followed at this stage of the session last year; namely, not to bother with questions now but to take them as soon as we conveniently can after afternoon tea. Questions without notice will be taken at the same time.

Mr. Graham: The *Daily News* reporters do not seem to like that.

## LOAN BILL, £27,170,000

*Introduction and First Reading*

Bill introduced, on motion by Mr. Nalder (Deputy Premier), and read a first time.

## WUNDOWIE CHARCOAL IRON AND STEEL INDUSTRY AGREEMENT BILL

*Introduction and First Reading*

Bill introduced, on motion by Mr. Court (Minister for Industrial Development), and read a first time.

## ROAD CLOSURE BILL

*Second Reading*

Debate resumed, from the 18th November, on the following motion by Mr. Bovell (Minister for Lands):—

That the Bill be now read a second time.

MR. HAWKE (Northam—Leader of the Opposition) [11.9 a.m.]: This is the usual type of Bill to deal with the closure of roads and rights-of-way which comes before Parliament towards the end of each session. I have had a look through the measure. Obviously it is one more for the consideration of the members of the electorates concerned. They would know whether the proposals in the Bill in connection with their individual electorates are justified.

No doubt the local authorities concerned have approved all the proposals. The only other comment I would like to make is that I think more information could be made available in connection with Bills of this type in future sessions, so that every member of this House will know approximately where the roads and rights-of-way are situated. If members look at the schedule they will in most instances not have a clue as to the locations of the 16 items referred to. I suggest an explanatory memorandum could be printed and attached to each copy of these Bills, setting out briefly the approximate location of the land in question, thus giving members a much better appreciation of what is proposed, more especially as the Bill before us was introduced yesterday, and comes up for decision by members today.

The SPEAKER (Mr. Hearman) took the Chair at 11 a.m., and read prayers.

There would not be more than one member in the House—maybe not even one—who would know with any degree of accuracy where these rights-of-way and the 16 items referred to in the schedule are located. No doubt the proposals in the Bill have been very carefully examined by the appropriate officers in the Lands Department, and have been approved by the local authorities concerned. After this it becomes the responsibility of the member of the particular electorate concerned to say anything he has to say on the relevant item.

**MR. BOVELL** (Vasse—Minister for Lands) [11.12 a.m.]: I thank the Leader of the Opposition for his comments. I have always advocated that as much information as possible be conveyed to Parliament. In this instance, whilst the information might not have been brought to the notice of the Leader of the Opposition, I have circulated lithos which indicate the exact positions of the rights-of-way to be closed. I do not think it is practical to include such information in the Bill.

However, the lithos would indicate to the members concerned the location of the roads and rights-of-way. The comments of the Leader of the Opposition will be considered, and if further information can be made available in the future it will certainly be submitted to Parliament.

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. Bovell (Minister for Lands), and transmitted to the Council.

## CAVES HOUSE DISPOSAL BILL

*Second Reading*

Debate resumed, from the 18th November, on the following motion by Mr. Bovell (Minister for Lands):—

That the Bill be now read a second time.

**MR. HAWKE** (Northam—Leader of the Opposition) [11.17 a.m.]: This Bill proposes to obtain authority from Parliament to dispose of a fairly substantial part of an "A"-class reserve, upon which the Caves House Hotel is located. This hotel has been established on this land for a good number of years, and has been operated by the State through managers appointed from time to time.

It is a piece of history which, to some extent, it is appropriate and important for me to point out that the present Controller of Parliament House, Perth, was the manager of Caves House back in the 1930s, and I was a guest in that hotel during his

period of managership. My impression of the hotel and its management was exceptionally good.

I did not have the opportunity to hear the Minister put up the case in favour of the proposal in this Bill. Presumably the purpose of the Government is to sell this land to a private company or individual.

**Mr. Bovell:** The present lessee has indicated that, because of economic problems, he cannot carry on and he will have to forfeit his lease.

**Mr. HAWKE:** This will mean, should Parliament approve of the proposal in the Bill, the 30-odd acres of this "A"-class reserve and the building upon it will for all time be lost to the State and to the public. It is most unfortunate this move should be contemplated; and even more unfortunate the Government should bring legislation to Parliament to achieve this object. There is far too little "A"-class reserve land in Western Australia. If we look ahead any number of years we can, if we take a practical view, see an increasing need, not only for all existing "A"-class reserves, but for additional land to be dedicated as such.

The Minister told us the present lessee of Caves House has advised the Government he is not able any longer to carry on as lessee of the premises. It would be interesting to know whether the Government has made any other effort to obtain a new lessee. I would wish to know whether the Government has advertised to give other people in the community who might be interested in taking over a lease of this business the opportunity to enter into negotiation with the Government for the purpose of seeing whether a satisfactory lease could not be negotiated and the land—the 30-odd acres of "A"-class reserve—be retained under that title.

It is a backward step, in my view, to sell for all time "A"-class reserve land; and this would apply particularly, I should think, to "A"-class reserve land located where this land is located. I know it could be said the land and buildings, when sold, would continue to be operated as a tourist centre and a tourist resort. The whole set-up might conceivably be improved by the expenditure of additional capital in relation to the present buildings and additions thereto, and also maybe in relation to the establishment of other amenities on the additional land which is to be sold with the hotel buildings.

Unfortunately, once this land is sold it has gone for all time and no member of the public will have the right to have access to the land afterwards without payment, either for refreshments, lodgings, or both. So the step which this Bill is asking Parliament to take is an exceptionally serious one because it is proposing to reduce the area of "A"-class reserve land available in Western Australia to the people

of this State. Because that important principle is involved, I am not able to see my way clear to support this Bill.

**MR. JAMIESON** (Beeloo) [11.24 a.m.]: I, too, having had some past experience of staying at Caves House, would like to raise objections to this proposal. As I understand from the Minister's interjection to the Leader of the Opposition, the present leaseholder is experiencing difficulty in carrying on. It would appear to me, if that is the case, the possibility of some private individual carrying the place on, even if it were sold as a distinct hazard, should be considered.

I feel this is one of the areas where tourist development is most important; and, even though it might mean expenditure by the Tourist Development Authority, which is a Government instrumentality, to assist to carry on this place for the time being until our tourist numbers increase to the stage when the expenditure would be no longer a drain, that would be justifiable expenditure on the part of any Government.

It is true, as the Leader of the Opposition said, once this place is sold, with all the charm of the natural valley on top of which it is situated, and other associated features, it will become some private show. If it were not run as an hotel, it could eventually become a private residence, which would be very nice in this situation; or some private company might obtain it for a particular purpose.

Caves House is a feature of this State which should be retained under State control, as has been the case for a long time. It has never been a heavy drain on the finances of the State; but this area is in need of a good-class hotel. In my opinion, this hotel, by comparison with many of the hotels in the southern parts of the State, is one of good class. It has much charm of its own and is a place which anybody who has stayed there will remember for its surroundings and the service provided.

It is a hotel only in a secondary way and has never had a large bar trade there because there is not a great population in the area. As a consequence, that side of the transaction has not been as lucrative as it possibly could have been if there had been a greater population. However, with the advent of more people, motor vehicles, and the popularity of the Yallingup area itself, I feel the most difficult stage in the career of this hotel must have passed and the Government would be quite justified in retaining Caves House as it is for tourist developmental purposes and not pass it on to any obscure future it may have under the proposal the Minister has put forward.

As a consequence, I am inclined to oppose this Bill and hope the Government will have second thoughts on

it, even if it means trying to interest one of the tour promotion companies into doing something about taking Caves House over. I do not think this presents any insurmountable difficulties. A great number of coach tours are now coming through from the Eastern States and we could possibly reach the stage where, after a little organisation, accommodation could be fully occupied every night of the week. This could happen within the next few years. So I suggest that the Minister have more thoughts on this proposition rather than let it become the problem it has to the leaseholder. The present attitude of "Let us get rid of it and forget all about it" is not the procedure to be adopted with a place such as this.

I feel strongly about the proposition, and would be opposed to Caves House being disposed of with the possibility of its ultimate closure.

**MR. DAVIES** (Victoria Park) [11.29 a.m.]: Like previous speakers I, too, oppose this Bill. I believe it is evidence that the Government's policy in this regard has been a failure.

I can remember the time when it was difficult for anybody to obtain a booking at Yallingup; but now, apparently, it is quite easy. This means that either the general popularity of the place has declined in favour of some of the other more publicised places, or the standard of the service provided for the public at Yallingup has fallen to such a degree that people are no longer interested in going there.

We have before us at the present time a measure under which the Government is to advance money to assist hotels to upgrade their standard, and it seems strange to me that this very valuable asset of the State is going to pass from the control of the State on the one hand, yet on the other hand the Government is anxious to take advantage of legislation which will permit a body under Government sponsorship to lend money to hotels to improve their standard.

I think the part of the State on which this hotel is located is one of the most attractive in the State. I understand that the caves are excellent by any standards and that a lot more could be done to make Caves House a paying proposition. If the present lessee of Caves House has been unable to run it profitably, like the Leader of the Opposition I would like to know what has been done to appoint someone to run it profitably.

I am a little concerned about these natural tourist attractions passing from the control of the State. I feel that we are probably getting to the stage which has been reached in America. If the Premier were in the House I am sure he would agree that there are very few places

in America—even natural attractions—which can be seen without the payment of some kind of fee. Indeed the only place I found in America was the Garden of the Gods in Colorado, a very pretty area of the country which is controlled by the State of Colorado. It was the only place where I did not have to pay to view the attractions provided. In that case the position was exactly in reverse. It had been privately-owned property and was handed back to the State on the condition that no charge was ever to be made for admittance.

I can imagine the position which will be reached in Western Australia if our very beautiful and natural assets pass to private enterprise. Private enterprise is certainly going to be interested in making a dollar and before long it will be very expensive for the tourist to move around the State to see what we have to offer.

I repeat, it is evidence of the failure of the Government's policy in regard to State hotels and particularly to Yallingup and I would certainly be opposed to Caves House being disposed of to private enterprise, particularly as no plan has been submitted to the House. We may have been able to give it more sympathetic consideration if the Minister had presented a plan to us and explained the conditions under which Caves House would be disposed of. He could have told us, for instance, what kind of place we could expect in future and the effect of the disposal upon the people of the State.

However, under this Bill a *carte blanche* has been given to the Government and we do not know what will happen. Until such time as I do know, I will oppose the Bill.

**MR. GUTHRIE** (Subiaco) [11.34 a.m.]: As I visit Caves House quite frequently and, as the Minister knows, spend some three or four weeks in his electorate each year, I see a great deal of it and the development of the tourist facilities in the general Busselton area. I can appreciate the difficulties which anyone running Caves House must experience.

The first difficulty is its extremely extensive grounds. They are very lovely grounds and far finer than those of any other hotel I can think of in Western Australia. However, they are expensive to the management. The second and most major problem it faces is that it is not strategically placed. I have stayed there many times, the first occasion being in 1917, and I have seen it change over the years. I have stayed there twice in the last four or five years, and I have learnt that it is the wrong place to stay at when one is visiting the Minister's electorate.

It is in the wrong position and it means that when a person goes for various trips he does an unprofitable drive of something like 30 miles to get to some other beauty

spot in the locality and a person gets sick and tired, quite honestly, of driving the stretch from the house to the Junction of Bussell Highway and the Yallingup Road. There are now in existence, as the Minister knows, between Busselton and the junction of that highway, quite a number of modern first-class motels. If I were advising anyone to pay a visit to that area—and I certainly would because it is lovely scenery—I would definitely advise that person to stay at one of the motels, thus obviating the unprofitable drive each day.

Another point is that it is not on a through highway that leads anywhere, and consequently the bar trade cannot be built up with the passing traffic.

**Mr. Jamieson:** The caves road must be developed.

**Mr. GUTHRIE:** If the member for Beeloo will let me finish, I will say it may be developed in the years to come, but it has been developing very slowly. The road is nicely bituminised right down to about Ellen Brook, if I remember correctly, and then it gets smaller and smaller until it becomes a mere bush track.

**Mr. Jamieson:** It is a magnificent drive.

**Mr. GUTHRIE:** I agree. It has some of the most beautiful scenery in the State and there are some of the finest wild-flowers along that drive too. However, the road does not impress anyone because it does not lead on. If a person is going to Augusta he goes on the main highway and if the road to Caves House went right through to Augusta, Caves House would have a greater future. But I do see some very lean years in front of anyone conducting Caves House. Even though the closure of Caves House in many ways would be a tragedy, it does not mean that the tourists will be neglected because so many other facilities have been developed in recent years which are now in competition with Caves House, competition it did not have even five or six years ago.

**Mr. Davies:** What is the standard of the hotel like? I have never stayed there.

**Mr. GUTHRIE:** The hotel itself is very good and consists of two buildings. As members know, it has a fine brick building on one part and an old wooden structure on another.

**Mr. Jamieson:** That was the old Caves House.

**Mr. GUTHRIE:** Part of it. The original Caves House consisted of two wooden structures, and they were there in 1917. One of them was burnt down, and the part not burnt is still there. When I stayed there with my family about 10 years ago, I was required to stay in the wooden structure. This was, incidentally, when Caves House was under tourist control and with children I was not permitted to stay in the brick portion.

That was a factor that did not help at all. The conditions in the old wooden structure are pleasant enough for a family on holiday, but they are not the quality conditions applying in the brick structure. I have stayed in both buildings. As a hotel and a place to stay, when run by the Government and when run by the present lessee, the standard was very high, but I can see the commercial difficulties which face it because it has now some real competition.

Mr. Davies: It is a great place for honeymooners.

Mr. GUTHRIE: That is true; but these days honeymooners scatter around on wheels all over the place. There are so many good roads that they do not stay at any one particular spot any longer. Also, they used to have a lovely drive leading south from Yallingup, but that has now become a boulevard and they have to drive 20 miles to find a secluded spot.

Mr. Davies: Caves House was popular because it was secluded.

Mr. GUTHRIE: I do not know what the member for Victoria Park would know about this subject; I should have thought that he would remain quiet and leave such comments to us experienced people.

Mr. Bickerton: Probably if the Minister had been married he never would have brought this Bill down.

Mr. GUTHRIE: That might be so. However, I do feel that there are real reasons for any lessee running into difficulties, not the least of which are the problem of location and the problem of competition.

MR. ELLIOTT (Canning) [11.41 a.m.]: Like other members who have spoken, I, too, am not without some knowledge of Caves House.

Mr. Jamieson: Honeymooning?

Mr. ELLIOTT: Yes; the member for Beeloo is quite correct. I think that if you were to ask the same question of other members, you would receive the same answer.

Mr. Hawke: No wonder the place is going down!

Mr. ELLIOTT: The member for Subiaco very rightly pointed out that many problems face those who take on this hotel. Perhaps he might have overlooked the major problem, which is the number of staff required to maintain it. In answer to a question which I had asked regarding the present standard of hotels, I received some interesting replies. I have a very close relative who stayed at the Caves House during the last two or three weeks, and I am told that the standard is very good in that establishment.

At Caves House the position exists where a staff has to be maintained to cope with 100 guests one night, and only six or seven

the following night. That is the point. A big staff must be maintained or the establishment cannot be operated efficiently. This matter could be overcome in some places by employing part-time labour. But in the case of Yallingup there are insufficient casual workers available to maintain a work force.

I will go along with the member for Beeloo in so far as he suggests that the logical organisation to which to sell the establishment could be one with a tourist tie-up. I feel he is correct in that suggestion. A tourist organisation specialising in providing accommodation could perhaps make full use of the facilities at Caves House. I am in support of the Bill.

MR. KELLY (Merredin-Yilgarn) [11.43 a.m.]: I am very concerned at the Government's attitude in regard to "A"-class reserves if this Bill is to be any indication of events likely to follow the matter before the House at the present time. I am particularly opposed to the release of what is known as the Caves House reserve. I think this is one of the most valuable and historic reserves in Western Australia because of its association, particularly, with the caves through that area, and the great attraction those caves have proved over a period of years. Those caves at Yallingup are world-renowned in some of the aspects that are so prominent.

I realise that the Minister for Lands is acting not totally on his own behalf in this case, but because of circumstances which have been more or less forced on him through the desires of another department. But I cannot agree under any circumstances that the disposal of 10 acres of reserve land is a necessity. I do not think this is the only answer to the problem which faces the Government and the problem which has apparently arisen with the lessees of the Caves House. There are several other solutions. I am wondering just what is behind a decision of this kind brought to the House as it has been under the conditions we are now having to consider.

This problem has developed after a period of only five years of a seven-year lease. The lease was granted originally after three other persons had applied for the right to control and run Caves House and the out-buildings associated at that time with the establishment. As often happens, the Government accepted the highest tender. There is nothing to say the highest tenderer was going to be the most successful tenderer. I do not know what degree of examination the people who applied had been subject to in so far as their application went. But it is perfectly evident that the lessees have not made a success of it. I am not casting any disparaging reflection on them whatever. They could be the most capable and competent people to have in the job, but on the other hand they may not be.

There are many aspects of handling catering houses when it comes to public appeal. The present problem could be due to the circumstances surrounding the successful lessees or because of something they may lack in their public approach. They may lack it from a business point of view or there may be any number of reasons why the Caves House proposition is not flourishing as well as it should be. I would not know the answer.

I do know that there are several solutions. The Government is undertaking to dispose of this area of 10 acres of land, which includes the portion which is to be continued as a caravan park; but we have not been given any indication whatever—supposing this House did decide to give the Government the right to dispose of portion of this “A”-class reserve—that the whole matter of the Caves House will be placed in the melting pot for further consideration as to the future tenure of the property.

We have not been told whether there is a likelihood of new applications being called. However, there does appear to be every indication that the present lessees would be the ones to be the successful purchasers. That would be totally unfair. Because of the conditions which would apply once this portion of the “A”-class reserve at Yallingup became subject to disposal by the Government, there would not be only two or three applicants; there would probably be 15 or 20. The conditions would be entirely different from what they were in the days when the time of the lease was for a set number of years.

I think this is an infamous method of endeavouring to get control of an “A”-class reserve and to act without Parliament's consent knowing that it would be a portion of land divorced from the “A”-class reserve. It would then be in the Government's hands to do what it liked with this 10 or 15 acres, or whatever the area is. I think that is entirely wrong. It would be dishonest to do anything like that. It has always been a principle with all Governments over the years, when there is anything to sell, to call tenders; but in this case we have been given no indication that there is any likelihood of tenders being called. However, there is every indication that the Government will dispose of this very valuable and historical property to the present lessees because they have been unable to capitalise on the opportunity they have had over the last five years, and have threatened the Government—I do not know whether “threatened” in the right word—or they have indicated to the Government that they are not interested in this property beyond March 1966.

They may not be prepared to carry on under the existing conditions and what has brought this to a head is not that the

rental is too high, not that there are any other extenuating circumstances, but simply that the Licensing Court has demanded certain improvements. Goodness gracious me, surely the Government could soft-pedal that aspect! After all, the Licensing Court is subject to the Government and surely it could soft-pedal on the necessity to put in expensive and elaborate improvements and alterations immediately. We know there are probably 50 hotels in Western Australia at the present time which, in regard to improvements, have been operating on a deferred basis.

Mr. Bovell: You are not suggesting that the Government influence the Licensing Court for its own purposes, surely?

Mr. KELLY: I am suggesting that the Licensing Court should not require them to be done immediately because I can quote many instances of where the Licensing Court has, over a period of 10 or 15 years, served notices on various hotel owners that certain things had to be done, but they still remain to be done. Each year when their licenses come up for review these hotel owners get out of having to do the improvements by presenting their cases, stating that they cannot afford to do the work, and that there is no justification for it at the present time. The Government could do the same thing and that is one way in which the matter could be resolved.

The present licensees are faced with an expenditure that is probably more than they can meet at the moment. I think the Minister said it was beyond their financial capacity to pay for these improvements. But surely to goodness something could be done about that! This is a public utility and, after all, it is owned by the people of Western Australia. It is not owned by this Government just the same as it has never been owned by any previous Government. It has been a public utility for years and to think the Government is now prepared to sacrifice it is beyond comprehension. I would be very loth to think that any member in this House would agree to anything of this kind, because of the implications involved. We do not have to think only of this instance; we have to remember that if we set a precedent like this there are hundreds of other reserves in Western Australia which could be affected.

At the moment we have approximately 3,500,000 acres of flora, fauna, mining, and various other types of reserves; and I am sure stronger cases could be put forward by many people requiring extra land for some purpose or other for the sale of certain reserves than can be done in this instance. I was not here earlier and I do not know the feelings of those who have already spoken on this measure, but I would be very sorry to think that some

members who are sitting on the Government side had revised their opinions regarding the disposal of "A"-class reserves; because I can remember a number of them were directly opposed to the proposition which was put forward in regard to King's Park a few years ago. I would be sorry to hear that their attitude had changed purely for a matter of convenience.

Mr. Bovell: King's Park is not a business organisation.

Mr. KELLY: King's Park is an "A"-class reserve, and it is on that basis that we in this House debated, over a long period, the rights and wrongs of the case. The Minister who is in charge of this Bill was one who was very emphatic that under no circumstances should any portion of King's Park be alienated for the purpose of buildings of any kind.

Mr. Bovell: That's a different matter.

Mr. KELLY: It is not a different matter at all; the same circumstances applied in that instance as apply in the case before us.

Mr. Rowberry: The restaurant in King's Park is a commercial enterprise.

Mr. KELLY: However, in the case of King's Park, which is also an "A"-class reserve it had a particular appeal about it that was suitable to the intentions of the times.

Mr. W. Hegney: You are on thin ice now!

Mr. KELLY: No; I am not on thin ice. In that instance nothing was being given away or sold and, after all, we were not taking from King's Park any part of the reserve. The proposal was to put a swimming pool and buildings in the park, with parking space and other necessary improvements for the public's convenience. But in this instance we are taking from the people of Western Australia something that is rightfully theirs. It is their heritage.

Mr. W. Hegney: That's the point.

Mr. KELLY: Therefore, to that extent, the two matters are entirely different. I am surprised at the Minister because I know his feelings regarding "A"-class reserves, and the sanctity with which he surrounds them. I know him to be genuinely engrossed in his desire to retain "A"-class reserves as reserves, and I know his department is very keen to retain all of these huge reserves which have been promiscuously set aside. I say "promiscuously" because I know that as far as the various departments which have fisheries, fauna, flora, and other reserves under their control are concerned it is usually only a matter of the departmental head putting forward to the Minister, on the recommendation of a junior officer, a proposal that a certain area be set aside as a reserve and in most cases the Minister agrees.

Frequently reserves are set aside for a specific purpose without any very close examination being made of the reason for it. I know in one particular instance, in the Hopetoun district, a big area of land—somewhere in the vicinity of 580,000 to 700,000 acres—was set aside as a flora and fauna reserve without there being any indication whatever of any worth-while flora or fauna existing there. Simply because the land was lying idle at the time—farming had not come into its own as it has done in recent years—it was set aside as a reserve. I admit I had something to do with it, and I also admit that the amount of investigation that took place in that instance was negligible. The same thing applies today and we have had similar instances in recent times.

This method of putting aside reserves is entirely wrong, but when we come to consider an "A"-class reserve which comes under a more important category and we are prepared to sacrifice something which belongs to Western Australia as a whole to meet an individual circumstance, great consideration must be given to the question, following which I hope the Minister will have second thoughts about the matter.

I can assure him that although it is only a few hours since this Bill was introduced in the House, there are many people who recognise the great dangers that exist by taking such a step.

Mr. Bovell: If those people are prepared to provide the finance to the Government to keep it going we might have another look at it.

Mr. KELLY: The Minister, when he introduced the Bill, did not even indicate that to us, and even in that regard the proposition is infamous. Is the Minister intending to hand this land over to the lessee because the Government cannot do anything with it?

Mr. Bovell: We are not going to hand it over to anybody.

Mr. KELLY: If he called tenders today the Minister would find that there would be many people prepared to take it over. Another reserve which comes under the jurisdiction of the Minister is Rottnest Island. When we leased the hostel originally the opinion was held that the lessee at that time was the acme of perfection; that he had no peer, and that he was indispensable.

Mr. Bovell: Rottnest Hostel has always been a profitable concern, which is not so with Caves House.

Mr. KELLY: When the board had to consider the future of the hostel at Rottnest and decide whether it would call tenders for the leasing of it, the board had to accept the alternative of getting someone other than the existing lessee and now the person who holds the lease is far better than the one who previously held it.



Mr. Bovell: There is no comparison between the two places. Rottnest Hostel is a profitable concern.

Mr. KELLY: There were times when it was not profitable.

Mr. Bovell: It was not at that particular time.

Mr. KELLY: I know you are going to tell me I am off the track, Mr. Speaker, but the case I am referring to now is parallel with the one referred to in the Bill, and the Minister must be reminded of this, because evidently he has forgotten what existed in the past and that which still exists. Even at the present moment, in discussing this matter, it is closely bound up with the same principle. Therefore, unless the Government has some ulterior motive in bringing this Bill forward, it should not be proceeded with further. If the Minister has full regard for preserving "A"-class reserves he will withdraw the Bill without any further delay.

MR. ROWBERRY (Warren) [12.4 p.m.]: I, too, would like to say a few words on this proposal, relating to the disposal of portions of Reserves Nos. 8427 and 17695 at Yallingup. The question which immediately springs to my mind is: Dispose of to whom? The Minister has told us, both in his second reading speech when introducing the Bill, and by way of interjection during the speeches made by members this morning that Caves House is most unprofitable; in fact, so unprofitable that the present leaseholder desires to quit the premises. If it is so unprofitable who will buy it? To whom can we dispose of it? The Minister is not a very good salesman.

Mr. Bovell: I have never professed to be.

Mr. ROWBERRY: Apparently he has been impressed by the sort of salesmanship the Minister for Industrial Development has shown when disposing of Government enterprises. The Minister keeps on saying that Caves House is most unprofitable as a commercial enterprise and yet the Bill is designed to dispose of it to somebody else. In my view he is not giving much encouragement to anybody to take this establishment over from the Government.

Why is it necessary to dispose of the heritage of the people at the same time? Why is it necessary to deprive the public of the use of an "A"-class reserve which was set apart "for the protection and preservation of caves and flora and health and pleasure resort" so that it can be used for some other purpose, or be the subject of some other proposition? I wonder whether there has been any reference to Caves House being a honeymoon resort, and whether a honeymoon resort is classified in the Bill as coming under the headings of health, flora, or pleasure.

I listened with interest to some members putting up the proposition that the reason why Caves House is not profitable is that the licensed part of the premises was in a run-down condition and required renovation and a good deal of repair following an order issued by the Licensing Court.

It was also said that because there was such a large residential section which required the attendance of a large staff, it was not possible to recoup the losses of the residential part of the hostel from the profits that were made in the licensed portion of the premises. This is what usually occurs in all hotel premises. I suggest to the House that we should look at this proposition with a certain—I was nearly going to say "suspicion"—degree of critical analysis.

At present there is a move afoot to enable licensed premises to be assisted so that establishments can be rehabilitated and upgraded by grants from the Tourist Development Authority. In considering this Bill, which seeks to grant the Minister permission to dispose of Caves House and the "A"-class reserve, I am wondering why there is any necessity to lump the two together, unless the reserve has been thrown in as an incentive, or as a bargain. In the event of this having been done, whoever gets this valuable property—even though the Minister does not believe it is it must be valuable because private enterprise is not interested in anything that is unprofitable—could obtain assistance from the Tourist Development Authority to up-grade and renovate the premises and so make the proposition payable.

We must take these points into consideration. I view with great suspicion the motives behind the Bill, and because of that I intend to oppose it.

MR. BOVELL (Vasse—Minister for Lands) [12.9 p.m.]: I have listened with great interest to the comments that have been made by the various speakers. All members on the opposite side of the House, have opposed the Bill. The simple fact of this matter is that Caves House has never, to any degree, been a profitable undertaking. If it has ever been, I cannot recall the occasion, and it was conducted by the Government for many years.

I admit it is a delightful place; it could not be situated in a better part of the State, because it is a part which I have the honour to represent. The Government, however, must face the issue of finance in this regard. The Government endeavoured to have Caves House continued as a Class "A" reserve by way of lease, but the proposal did not prove successful.

The Leader of the Opposition referred to the history of the area, and to Caves House generally, and the overall very excellent management that Caves House has been under. I can go back to my boyhood days when Caves House was in the old building.

Mr. Hawke: What a memory!

Mr. BOVELL: They are very pleasant memories indeed, but I am not going to recount them now. I could go back to the days of the late Mr. Batho, who was the first manager I can recollect in 1918. Caves House has always been acknowledged as a very well-managed establishment.

The Leader of the Opposition also referred to approximately 30 acres, but the actual area to be offered in freehold is 10 acres; that is the area where the buildings stand—the other area is where the caravan park and associated facilities are at present. I think I indicated in my second reading speech that this area could be leased to the successful purchaser of the 10-acre site.

Mr. Kelly: How would that 10 acres be sold? You have not given us an indication of that.

Mr. BOVELL: The Government will give attention to the sale of the area, and will negotiate for the best possible return to the Treasury.

Mr. Kelly: Will other people be given an opportunity to purchase besides those there now?

Mr. BOVELL: I cannot speak for the Chief Secretary but, speaking as a member of the Government, I will say that an opportunity will be given to people who desire to purchase this area. They will all be considered in the proposal. The Chief Secretary is away today and I cannot speak for him.

As a member of the Government I can say that we will take every step to see that if the Caves House area is disposed of the best possible price for it will be obtained. There will be no handout to any one organisation without others being given an opportunity to acquire it.

Mr. Tonkin: I hope we can place more reliance on that assurance than we have been able to place on some others we have had here.

Mr. BOVELL: Reference has been made to the leasing of the property. In my second reading speech I mentioned that applications for the lease of Caves House were advertised and called throughout Australia. Only four applications were received. Very little interest was displayed in the proposal to lease Caves House.

Mr. Kelly: There are different circumstances when you freehold it.

Mr. BOVELL: The lessees have endeavoured to make the place more attractive. They put down bowling greens and constructed a roadway with much closer access to the sea. Many other amenities have been established since the present lessees have been there, but they still submit there are difficulties connected with

financing the proposal. This is not on their say-so alone. The Treasury has had a very close examination made of the accounts of the lessees, and a departmental committee comprising the Under-Treasurer, the Under-Secretary, Chief Secretary's department, and the Under-Secretary for Lands have fully investigated this matter over several months with a view to establishing whether it would be possible for the lease to continue; so much so that concessions have been made—as I indicated in my second reading speech—in regard to rentals; and certain Government expenditure has been directed towards the septic system, and so on. So it is not without a full investigation that this proposal has been placed before Parliament.

Mr. Hawke: Would the present lessee be interested in taking the property over on a freehold basis?

Mr. BOVELL: I cannot answer that. I have no indication that he wishes to take it over on a freehold basis. From the records available to me there has been no suggestion that he will take it over; but what the position is I cannot say. I can only say that I know of no approach by the lessee and his wife—whom I know personally, because they are in the area I represent—to take the site over in freehold. What the position will be when it is made available I do not know; but there has been no approach to me, nor do I have knowledge of an approach to anybody else for the present lessees to purchase the area in freehold.

Mr. Hawke: There is no need to nag me about it.

Mr. BOVELL: I did not intend to nag the Leader of the Opposition. By the way, I understand that interjections are disorderly, and I have had quite a few of them.

I would particularly like to thank the member for Subiaco and the member for Canning for their practical approach to this measure. It is no delight for me, with my long association with this area, to be the Minister who has to deal with the matter. But we must make a practical approach to problems that arise from time to time; and the Government cannot contribute funds towards ventures of this nature when money is required for schools, hospitals, and other essential things.

Mr. Bickerton: Will you call public tenders for the sale? You can tell me without a long explanation.

Mr. BOVELL: As I have said, the matter of the sale is for decision by the Chief Secretary. I do not intend now, or at any time, to commit somebody else. I have already told the House my own attitude in the matter, and what the Chief Secretary will do is his responsibility.

Mr. Bickerton: Weren't you interested enough to ask him?

Mr. BOVELL: I am not going to be drawn in by the member for Pilbara or anybody else to committing a colleague of mine who is not present.

Mr. Bickerton: I can see now why you never got married.

Mr. BOVELL: I ask you, Mr. Speaker—

Mr. Court: To put that on the notice paper.

Mr. BOVELL: It was not a question; it was a statement. Perhaps the honourable member might elaborate as to how he came to that profound decision.

Mr. Rowberry: Maybe you could not sell yourself.

Mr. BOVELL: The member for Merredin-Yilgarn spoke at length, and he explained that he was opposed in no uncertain manner to the proposal to dispose of Caves House Hotel. He did say that he wondered whether there was any ulterior motive behind this move. I can assure the honourable member that there is no ulterior motive involved at all. The only implication behind this proposal is that it is a losing proposition—

Mr. Tonkin: Did the Minister find out if the sale of the cave was involved?

Mr. BOVELL: I shall come to that shortly. The only concern of the Government is not to channel money into a trading organisation that is continually losing. The lessee took over the lease for seven years, but after five years he wished to surrender it. The position has been fully investigated by the Treasury and examined by the committee to which I had made reference. The Government came to the conclusion that it has no alternative but to take the step proposed in the Bill, and for this the approval of Parliament is required.

By way of interjection the Deputy Leader of the Opposition referred to the cave. I have checked on this question, and I have taken a litho from the files. The information I have obtained is that the entrance to the Yallingup Cave is 18 chains from the south-eastern corner of the area of 10 acres it is proposed to sell. The cave extends nine chains southward of the entrance, the deepest point being 125 feet. From that information and the litho on the file it becomes quite clear that the cave is not included in the reserve to be sold.

The authority which I, as Minister for Lands, am seeking is to be able to offer this 10 acres of land for sale, and to lease the other portion for a period of not longer than 21 years. The Chief Secretary will negotiate the other matters affecting the sale of Caves House; and when those negotiations have been completed he will, no doubt, refer them to me in respect of the sale of the land concerned; because land which is excised from reserves is still Crown land until it is disposed of. I see

no alternative other than the proposal submitted in the Bill, if Caves House is to have a chance of survival.

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

#### Ayes—20

Mr. Bovell	Mr. Marshall
Mr. Burt	Mr. Mitchell
Mr. Court	Mr. Nalder
Mr. Dunn	Mr. Nimmo
Mr. Durack	Mr. O'Connor
Mr. Elliott	Mr. O'Neill
Mr. Grayden	Mr. Runciman
Mr. Guthrie	Mr. Rushton
Mr. Lewis	Mr. Williams
Mr. W. A. Manning	Mr. I. W. Manning

(Teller)

#### Noes—14

Mr. Bickerton	Mr. J. Hegney
Mr. Brady	Mr. W. Hegney
Mr. Davies	Mr. Jamieson
Mr. Fletcher	Mr. Kelly
Mr. Graham	Mr. Rowberry
Mr. Hall	Mr. Tonkin
Mr. Hawke	Mr. Norton

(Teller)

#### Pairs

Ayes	Noes
Mr. Brand	Mr. May
Mr. Hutchinson	Mr. Curran
Mr. Craig	Mr. Moir
Mr. Gayfer	Mr. Sewell
Mr. Crommelin	Mr. Toms
Dr. Henn	Mr. Evans
Mr. Hart	Mr. Rhatigan

Majority for—6.

Question thus 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. Bovell (Minister for Lands), and transmitted to the Council.

### BILLS (2): THIRD READING

1. City of Perth Parking Facilities Act Amendment Bill.

Bill read a third time, on motion by Mr. Graham, and transmitted to the Council.

2. Artificial Breeding Board Bill.

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

### RESERVES BILL

#### Second Reading

Debate resumed, from the 18th November, on the following motion by Mr. Bovell (Minister for Lands):—

That the Bill be now read a second time.

MR. KELLY (Merredin-Yilgarn) [12.31 p.m.]: This Bill is similar to the Road Closure Bill put through earlier, inasmuch as it comes before this House at this time every year. I think it is understood by

the majority of members as being one of a more routine character than anything else; and on this occasion I find it covers mainly small areas that are being excised from "A"-class reserves.

Mr. Bovell: We kept the controversial matters such as Caves House and the parliamentary buildings site reserve out of it to be dealt with separately.

Mr. KELLY: I realise that; and the Minister has saved me the trouble of saying it.

Mr. Graham: You are making the speech for him; give him a go!

Mr. Bovell: I am trying to be helpful.

Mr. KELLY: There are a number of matters which I think are of interest to members representing districts that will be affected. For instance, one of the decisions is for the purpose of a lookout at the Gap at Albany. That, of course, is another historic place in Western Australia and one that has been in the news on many occasions. I understand that the Tourist Development Authority is now prepared to put up a lookout at this particular spot and it will be something that will be appreciated by many of the public.

Another excision is for the purpose of a botanical gardens, again in the Albany area. I think we are all conscious of the great tourist value of botanical gardens, particularly if these gardens are kept in the condition they are in other parts of the world and enabled to be the attraction which they undoubtedly can be.

I notice there is an excision of a small "A"-class reserve. This reserve was originally set aside for camping, and it is being cancelled on account of the fact that it is too wet for the original dedication and it is now being released for general selection. I think that is a case where a cancellation of a reserve is totally justified because it will be put to a more serviceable use.

There are matters such as road extensions, excisions for sewerage purposes, and one dealing with the Abrolhos Islands, which is again of great interest. It will now be termed a conservation of flora and fauna, tourism, and fishing area. The dedication covers the whole of the Abrolhos Islands and, in the future, they will be placed entirely under the Minister for Fisheries, who is also Minister for Fauna. In this instance, I think the correlation of these two interests under the Minister is desirable; and, for that reason, I think it is advisable this course be taken.

There is an excision of a small acreage for cemetery purposes. The area is a continuation of an existing cemetery; and there are good reasons behind the excision. Naremben has reached the stage where the swimming pool area needs extending, so, as the result of an application made

some time ago, the dedication is now for a swimming pool and other recreational purposes.

Mr. Nalder: Haven't they a swimming pool?

Mr. KELLY: Yes, but they want extra land for parking purposes and so on; and I think the request is justified. This is not a wonderful piece of land, but it will be useful for the requirements of Naremben.

There is a reserve mentioned near the end of the notes, and I am not so much enamoured about this, because it involves a big area. This reserve is recorded as being necessary for recreational purposes. However, at the present time its dedication is for a flora and fauna reserve. This particular excision is for 210 acres and the reserve is at Wanneroo.

Mr. Bovell: I thought you were getting on to the Northam one.

Mr. KELLY: No; I am coming to that as it has a brief reference at the end. I wonder why a decision has been reached to excise such a large area as 210 acres, which is about half of the flora and fauna reserve? Why should it no longer be regarded as necessary for a flora and fauna reserve? We have no data on it, and the Minister has not indicated just why a flora and fauna reserve is no longer required at that locality. Is it that all the wildflowers and other attractions associated with such a reserve of that kind have disappeared? Has there been any action by the Government to safeguard the retention of various forms of growth and of bird life that would be on that area? Why has it now been found necessary to alienate 210 acres from a total of about 550 acres? This is not in the interests of the Wanneroo area.

I understand a golf course is to go on this land. Can a golf course be constituted a good reason to allow an area of that kind to lose its identity as a flora and fauna reserve? A golf course will be used only by people who can afford to play golf, or who are privileged enough to belong to the club. I suppose a club will be formed, if it is not already formed. When reserves are set aside for the purpose of flora and fauna we should have a greater appreciation of what pertains to these reserves before throwing them open. Why do we in the first place designate reserves for specific purposes unless there is some very good reason for this at that point of time? I have in mind how hard-hearted the Minister has been in connection with a reserve in the Merredin-Yilgarn electorate.

Mr. Bovell: I get pressure from many members.

Mr. KELLY: The reserve to which I refer is south of Southern Cross and there is no justification for holding it as a fauna and flora reserve. If the Minister

will come with me, I will take him over that reserve just as I took the Minister for Agriculture to the markets, and I will be able to show him how unnecessary it is for this huge area to be held back.

Mr. Nalder: I am surprised the honourable member did not do something about it when he was Minister.

Mr. KELLY: If the Minister will look at the files he will find how far the proposition had advanced at that stage, and there was a good demand for that land. Six months prior to when the Labor Government went out of office, action was in the course of being taken to have the land thrown open. One of the undertakings I made on behalf of a Labor Government, if returned, was what we were going to do with this area.

The SPEAKER (Mr. Hearman): I hope this is a passing reference.

Mr. Bovell: I would like the opportunity of replying to this, Mr. Speaker.

Mr. KELLY: It is a flora and fauna reserve, and is parallel to the one at Wanneroo, but is far removed from the city precincts. I just wonder if the Minister is having a change of heart in regard to these reserves and whether he is now feeling that some are not fully justified; because if he is, I will certainly be down on his doorstep tomorrow morning, if he will see me for an hour or two.

Mr. Bovell: I will be 200 or 300 miles away tomorrow morning.

Mr. KELLY: That's right. Tomorrow is Saturday. Some other time would be convenient as far as I am concerned. I would put anything at all off to have the opportunity to convince him—

Mr. Bovell: Every case is dealt with on its merits. Your proposal might not have had the merits this one had.

Mr. KELLY: I think it did. The only difference is that the Minister is in the box seat and I am not.

Mr. Bovell: But you were!

Mr. KELLY: I would very much like to know something of the reason behind the excision of 210 acres out of a bit over 500 acres of a reserve set aside for a specific purpose. Apparently now there are no birds, kangaroo paws, or anything else in the area. I want to know how the Minister can justify the alteration from the present designation to the one he proposes.

I come now to one very little matter. I have a reference to it here in very small writing. It is the erection of a library at Northam.

Mr. Bovell: You had better be careful what you say now.

Mr. KELLY: There has been a small area set aside for a library. Apparently they have advanced in Northam to the stage where a library is necessary and there

is justification for setting aside a site for this purpose. With those few remarks I have pleasure in supporting the Bill.

MR. HALL (Albany) [12.43 p.m.]: The excision of 25 acres of Reserve No. 24258, consisting of 9,043 acres, is in order that the area might be used for a tourist lookout. This is a commendable action. Members are probably aware that the tourist activities on the south coast are very extensive, and the lookout will add to the attractions of the area. It will also provide the necessary safety precautions at this spot which is located at the Gap.

Reserve No. 24429 is, under this Bill, to be used to establish a botanical garden. This site has been chosen after considerable research and investigation was undertaken by the local authority as to possible sites. An expert from England visited Albany and his advice was requested.

The area ultimately chosen has, for a long time, been quite an eyesore. Its transformation into a botanical garden will considerably add to Albany's beautification and the tourist attractions, and will freshen up that particular area.

Both proposals should be supported as they will benefit tourism and Albany itself.

MR. HAWKE (Northam—Leader of the Opposition) [12.44 p.m.]: The proposal in this Bill which concerns the town of Northam has to do with an area of land upon which originally there was constructed what was known as the Mechanics' Institute. This establishment carried on for quite a number of years as such and then, later on, in common with similar experiences in other parts of the State, the Mechanics' Institute lost interest and the committee which in more recent years was in charge of the institute encountered considerable difficulty.

Some portions of the building had to be let for other business purposes, and all the buildings on the site are now very old. Obviously those who leased the buildings were not inclined to spend much money on them because they were only leased over short periods.

The intention now is to lease this land probably to an oil company over a period of 20 years or so. The money which will be received by the Northam Town Council for the leasing of the land will be devoted totally to the purpose of constructing a new building which, when completed, will become the civic building and civic library at Northam.

I am grateful to the Minister for the attention he has given to the request made to him in this matter. On behalf of the town council at Northam and the people there, and on my own behalf, I take this opportunity of publicly expressing appreciation to him.

**MR. BOVELL** (Vasse—Minister for Lands) [12.46 p.m.]: I thank members for their response to this measure and especially the Leader of the Opposition for his gracious comments.

The member for Merredin-Yilgarn referred to Wanneroo. The position is that it is for recreational purposes, and whilst the area may appear large it is a matter of whether we provide amenities for the public in one way or another.

**Mr. Kelly**: What about the flora and fauna side?

**Mr. BOVELL**: The flora will still be left where possible, and if a golf course is established the players will be able to view the flora much better because of the fairways and what-have-you through the bush lands. My notes read—

The Surveyor-General has indicated he is well acquainted with this land, which is lightly timbered sandy country, gently undulating, and in his opinion, should be most suitable for a golf links.

When the Shire of Wanneroo provides an assurance that the Council is in a position to proceed with the development of recreational facilities on this land, it is proposed that the new reserve will be vested in the Council in trust for the purposes of "Recreation."

It is just a matter of deciding whether we retain this in its present state, which does not seem to be entirely satisfactory, or whether we allow the public to enjoy the environs there.

I would like to say that the pressure on the Minister for Lands and the Minister for Forests to release reserves and dedicated State forests is the severest pressure I have experienced in my existence. When I say that, members must bear in mind that I was a bank officer and a bank manager in the wheatbelt towns during the depression when pressures were very great. Despite this fact the pressures on me as Minister have been worse. Members come along; and while they advocate the alteration of areas for flora and fauna, this and that, and everything, if it suits their purpose, and they get pressure for releases from their electors, that pressure is turned on to me. I resist that pressure as much as possible.

**Mr. Brady**: The member for Swan never does that.

**Mr. BOVELL**: He probably has no flora and fauna reserves.

**Mr. Hawke**: He has the flora out on the native reserve.

**Mr. Lewis**: He is very proud of it, too.

**Mr. BOVELL**: I appreciate the comments of the member for Merredin-Yilgarn. I would like to deal with the agricultural development of land in that

area, but I know you, Sir, would not allow me to do so at this juncture.

**Mr. Kelly**: I am always available at any time.

**Question put and passed.**

**Bill read a second time.**

*Sitting suspended from 12.50 to 2.15 p.m.*

#### *In Committee*

The Chairman of Committees (Mr. W. A. Manning) in the Chair; Mr. Bovell (Minister for Lands) in charge of the Bill.

**Clauses 1 to 9 put and passed.**

**Clause 10: Reserve No. 25466 at Mosman Park.**

**Mr. TONKIN**: I would be grateful to the Minister if he could indicate what the Mosman Park Shire intends to do with this land involved in clause 10. I can recall that the Mosman Park Shire received very favoured treatment on a previous occasion when it was given some land which had been set aside for a school site and which subsequently became a golf course. I am wondering whether this is somewhat similar treatment. Can the Minister throw any light on the matter?

**Mr. BOVELL**: I can only refer to the notes which I have. Part of the reserve has been leased to the Chidley Point Golf Club Incorporated. It is not possible to construct a road on the portion of Marshall Street between Bird Street and the river frontage, and the Town Council has requested the closure of this portion of the street and for the contained land to be made available to the council. Provision is being made in the Road Closure Bill to close this portion of Marshall Street. I cannot convey any further information to the Deputy Leader of the Opposition at the present time, without obtaining the whole file on the matter.

**Mr. TONKIN**: I regret very much that more information cannot be made available. It seems to me that quite an area of land is involved in the second part of the clause. Before we change the character of "A"-class reserves and make them available to local authorities, I think we should know precisely what is intended to be done with the land. Occasions are not unknown where local authorities have not been fully appreciative of the needs of the people in an area and have been prone to cater for the requirements of a limited section of the community to the disadvantage of a much wider section.

Whilst it is a wonderful thing for those who are privileged, I do not always agree that they are entitled to privileges to the disadvantage of the general public.

I have in mind what occurred at Peppermint Grove many years ago when a portion of an "A"-class reserve was excised for the benefit of a very privileged yacht club. It is a very fine club and I have no doubt

it serves its members particularly well. It is a very privileged section and to serve it well by giving the club that nice location, the members of the public who used to frequent that area were deprived of something which was rightly theirs.

I think we should be very careful indeed before we excise portions of "A"-class reserves which are available for use by the general public. I have no power to hold this up but I do very much regret we are not told exactly what is to be done with the area. We are more or less signing a blank cheque in connection with it and I do not like that.

Mr. BICKERTON: Some of the Bills introduced by the Minister in the last few days, have been handled rather hastily. I am wondering if perhaps he should have had a little more time to study them before introducing them. Standing Orders are suspended and, of course, this type of legislation is going through very quickly. Earlier this morning we had an example where the Minister, when he was excising a piece of an "A"-class reserve, did not really know what was going to happen to it. Also, in reply to an interjection from the Leader of the Opposition, the Minister said it was necessary for him to make further inquiries to find out if, in fact, an area which was being excised included the caves in that area.

Mr. Bovell: No; I said to the best of my knowledge.

Mr. BICKERTON: The Minister said that he would make sure.

Mr. Bovell: I said to the best of my knowledge and belief it did not. I said I would check my information. There was no doubt about it.

Mr. BICKERTON: I would think that in a case such as the one we have before us now, when a query is put to the Minister—and again an "A"-class reserve comes into it—he would have rather an intimate knowledge of the purpose for the excision.

It appears from the information he has supplied to the Deputy Leader of the Opposition that he does not know a great deal more than we do on this side; and our knowledge of the matter, because we have not been told, is practically nil.

I endorse the remarks made by the Deputy Leader of the Opposition; and even though we have suspended Standing Orders, at least members should have a clear knowledge of just what the excising of these areas really entails, and what is the purpose of it. It should not be a matter of just reading a few notes, and the Minister saying that to the best of his knowledge, without looking at the file, that is all he can tell us. I have no doubt the Minister, before he decided to introduce this, studied the file.

Mr. Bovell: I approved of it but I study about 30,000 files in a year.

Mr. BICKERTON: I imagine that is possible.

Mr. Bovell: I am not a boy wonder.

Mr. BICKERTON: I think the Minister, as he has a big responsibility where "A"-class reserves are concerned, would satisfy himself first, before he brought a measure before Parliament, that it was in fact in the interests of the State. If he reads the file sufficiently to satisfy himself to that extent then I think his knowledge would be greater than the information we have received from the brief notes he has read.

Clause put and passed.

Clauses 11 to 13 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. Bovell (Minister for Lands), and transmitted to the Council.

### PARLIAMENTARY BUILDINGS SITE RESERVE BILL

#### *Second Reading*

Debate resumed, from the 18th November, on the following motion by Mr. Bovell (Minister for Lands):—

That the Bill be now read a second time.

MR. JAMIESON (Beeloo) [2.27 p.m.]: The proposition envisaged by this Bill is in accord with the desires expressed by members of Parliament at recent meetings, and also the House Committee when it met to give the matter further consideration. There was one small feature of the proposal that could have caused some concern, but it seems to have been cleared up by a letter to the Under-Secretary for Lands under today's date. It indicates that the plan prepared, which shows the various truncations, and which was laid upon the Table of the House—Plan 10063—was drawn up as a result of a survey made some time ago and, as a consequence, the knowledge whether Harvest Terrace would or would not ultimately be closed was not available to the planners. Therefore, the truncation of the corner of Harvest Terrace and Malcolm Street was included.

However, it is made quite clear in the letter—and no doubt the Minister will have more to say about that when I pass it back to him—that the Road Closure Act, 1961, contains a provision for the closure of portion of Harvest Terrace and this includes the proposed truncation which is shown on the plan. It appears that that matter has been cleared up and

portion of Harvest Terrace will be closed to traffic when a proclamation is made. Therefore, I do not think any more need be said about that proposal.

However, I would like to make a few general comments about the site itself and the future prospects on the Parliament House reserve. I think they are worth recording and I would go on record as stating it is folly for the Government to contemplate retaining the archway at the Barracks. I have a question on today's notice paper in this regard but apparently somebody from the Press got in before me and has provided the answers I wanted. I wanted to know the amount of money being spent at present on the strengthening of the foundations of the archway at the Barracks.

Apparently it is proposed that some £2,000 will be spent at this juncture but anybody who has a look at the proposition will see that the workmen have dug deeply into the yellow sand on one side and are preparing to strengthen the foundations; and then the same thing has to be done on the other side. Without having a knowledge of building, members have only to think ahead to the stage where both wings of the Barracks are cut off.

A considerable amount of money will have to be spent immediately on the side structure if it is to remain where it is; otherwise one would be looking at half-open rooms when coming down Malcolm Street and, aesthetically, such a situation would be impossible.

The structure that is there is three-storied and we would have to proceed to brick up the ends in some way, and if these are to be in keeping with the front of the archway goodness knows how much money will be spent, because the half-baked clay bricks which have been used on this building are crumbling away. Therefore, in building the new section with similar bricks, the Government would be fortunate if it salvaged 10 to 20 per cent. of the existing brickwork. The bricks would then have to be handled individually and cleaned individually before being stacked away to provide the walls to block up the end.

If the Government intends to spend such a great deal of money on this project, eventually members of the public are entitled to get cross. I know the Premier has given an assurance to the Historical Society that he will allow the archway to remain until the Mitchell Freeway is completed and until public opinion has been expressed on whether it shall remain. If the Premier intends to agree that it shall remain there it should be left in its present form and if it continues to remain standing until after completion of the Freeway, well and good, but if it falls down the problem will be solved, and the problem has to be solved.

According to past records Parliament House was erected on this site so that one could have an aesthetic view over the city, but it was never contemplated that Parliament House would have a backdrop of huge buildings which dwarf this structure, because it is not a very tall one; so the only advantage of this site now is that we will have a clear vista of the city of Perth. However, if we are going to leave a half-baked archway on its present site we will even be denied that.

Some time ago people concerned with the preservation of the Barracks were invited to Parliament House so that we could discuss the Barracks archway and the question of whether it should remain on its present site. Those people had all sorts of ideas, and if we had followed them I do not know where we would have finished up. One architect of repute was of the opinion that it would cost about £60,000 or £70,000 to perform the work which they considered should be done; namely, to convert the archway into a small museum to contain past records and old relics of the State.

The idea of that architect was to put a back on the archway following lines similar to the front in order to maintain its present appearance and to give an aesthetic view through it to the city. As I have already indicated to members, one can imagine what would have to take place in the way of recovering bricks of a similar nature in order that the additions could simulate the present structure, and this would cost a tremendous amount of money.

One has only to consider the amount of money Walt Disney spends on recreating American scenes in Disneyland, Hollywood. Therefore I consider the Government is not entitled to become involved in the expenditure of preserving the Barracks archway. If it is not entitled to go that far, it is certainly not entitled to spend approximately £2,000 to prop the archway up, because all sorts of other work will be necessary eventually. If the Deputy Premier will only think about the matter for a moment he will realise that all these things I have mentioned will have to be done. The archway cannot be left standing where it is without blocking up the ends.

Mr. Toms: A good easterly wind might finish it.

Mr. JAMIESON: Yes, and a good westerly might do it, also.

Mr. Nalder: It cannot be left there as a danger to the public.

Mr. JAMIESON: That is what I am trying to point out. It will remain there at a cost; and, right now, nobody can say how much, in the ultimate, it will cost to retain it as a permanent, or semi-permanent, structure. The initial effort is to cost £2,000. That is the cost merely to pour concrete underneath the pillars; and then,



following that, it will require to be bricked up so that it will look aesthetic. This work will probably cost another £4,000; that is, £2,000 on each end, because the erection of scaffolding will be necessary to carry out the work on the three storeys and to finish off the work some way or other. So that brings the total to £6,000 before we know whether it will remain there; and if it is to be kept there indefinitely there will be recurring expenditure. It is not a fair proposition for the people of this State to endure.

It is all very well for the Historical Society or the hysterical society to get on the band wagon from time to time in an effort to preserve all these old buildings. However, the only aspect that appeals to the members of the society is the colour of the brickwork of the Barracks, and the hit-and-miss type of bond. If it were covered with a coat of paint it would be repugnant to them and they would not want the structure to remain.

I did suggest to one Minister for Works that his first cost would be his last if he spent a couple of thousand pounds to have the complete building covered with a coloured Resirex, because no-one would want the building then. But that has not been done, and because it has a few coloured bricks here and there some people want to retain the structure. But it is not a practical proposition; and, in any case, if it is made safe for any period the expenditure of a vast amount of money will be needed, and that is not warranted. The public is entitled to have its money spent in some other direction where greater benefit can be obtained from it, instead of maintaining something that originally was never meant to remain as a permanent structure.

That is one point on which I wished to speak. Another point I wish to raise has regard to the more or less temporary buildings that have been built in that area. Once this Bill is approved by the members of this House, we will have no more say about the structure to be built on those sections which are excised from the Parliament House site, but the Government has recently seen fit to approve of the expenditure of money for the erection of toilets in that area. I have a question to ask about that today, but unfortunately it will not be answered until after this debate has concluded. This move seems to be rather ludicrous.

One section of the men employed there will not be able to shift for a time until the building being erected for the Superannuation Board in St. George's Terrace is completed. These employees, therefore, will have to take over the accommodation that was formerly occupied by officers of the architectural division. The accommodation is already there and there are a number of people working in the architectural division so it is difficult to understand why new toilets have to be provided,

when the other group of employees is to be transferred to another spot. Already there is an abundance of these buildings, but evidently the Government has seen fit to make arrangements to have these new toilets erected, despite the fact that they will be required for only a short time whilst the employees are awaiting transfer to new accommodation.

It seems to me that strong criticism can be levelled against the Government for unnecessary expenditure of money on a site which eventually, and in the main, will be harrowed and furrowed by a series of roads, cut-throughs, and by-ways that are to be put there. Ultimately, there will be nothing standing on that spot. If the Government is prepared to indulge in that type of expenditure, it must be prepared to put up with the criticism levelled against it for the expenditure of money on something that is not warranted, and which will not return anything to the public in kind in the future.

This reserve has caused debates over a number of years and you, Mr. Speaker, will recall many of them. When the present Premier was Minister for Works I think he ran into a lot of trouble as a result of work being stopped on the buildings of the Main Roads Department offices and the architectural section, when it was found that work was being carried out illegally on the Parliament House site. I think this building was stopped for about six months, and ultimately approval of a temporary nature was granted. After that, approval was extended from time to time in periods of two, three, and five years; and, of course, the whole matter has now reached the ultimate stage where we are in a position to disown that section for the obvious reason that we must hand it over to the Main Roads Department for its purposes and, in return, get the land that now, in effect, comprises the roadway between Malcolm Street and Parliament Place.

When all this is sorted out eventually, I think we will probably have quite a reasonable vista for both the Government offices and the Parliament House site, and I am sure everybody will be happy. We are at present in a transition stage, and while viewing this matter we must be sure to see that we do not encounter any problems, otherwise we may lose part of our Parliament House site which will not be returned to us. It will be used by the public and for those public purposes for which a Parliament House site is normally used.

So, as a Parliament, we are not giving away anything which it is not desirable to give away. A great deal of consideration has been given to this matter, and we have had explanations from the experts concerned before a final decision has been made. I think we are justified in

passing this Bill, in view of the assurance that has been given to us by the various authorities concerned with the ultimate concept of the Mitchell Freeway and the ancillary roads; and I have pleasure in supporting the measure.

**MR. BOVELL** (Vasse—Minister for Lands) [2.43 p.m.]: I thank the member for Beeloo for his comments. Following discussions with you, Mr. Speaker, and with the member for Beeloo I asked the Under-Secretary for Lands early this morning to get in touch with the Commissioner of Main Roads in order to clarify the question of the truncation at the corner of Malcolm Street and Harvest Terrace.

After discussion with the Commissioner of Main Roads the under-secretary informed me that the truncation would only be required until the Act relating to the closure of Harvest Terrace was proclaimed. I asked the under-secretary to obtain from the Commissioner of Main Roads his submissions in writing on this matter, because it was necessary to record them in the Lands Department to enable action to be taken at the appropriate time.

As you know, Sir, today I showed you the written submission made by the Commissioner of Main Roads to the Under-Secretary for Lands; and following that occasion the member for Beeloo was also given an opportunity to peruse this submission. It might be as well, for the record, if I read this communication which is dated the 19th November, 1965. It is addressed to the Under-Secretary for Lands, Department of Lands and Surveys, Perth, and reads as follows:—

#### Harvest Terrace

I refer to our telephone conversation of today's date regarding the minor truncation of the Parliamentary Reserve at the junction of Harvest Terrace and Malcolm Street, which is included in the Bill now before the Legislative Assembly.

I wish to give an assurance that the small truncation from Malcolm Street into Harvest Terrace shown on Plan 10063, will be closed when the closure of Harvest Terrace is proclaimed.

This is clearly set out in the Act covering the closure of Harvest Terrace, No. 74 Road Closure Act, 1961. In referring to the closure it states:—

"The portion of Harvest Terrace, Perth, commencing at the north-western alignment of Malcolm Street and extending north-eastward . . ."

The north-western alignment of Malcolm Street of course will be the new line shown on Plan 10063.

I should explain that the plan showing the various portions of Parliamentary Reserve to be excised for the Mitchell

Freeway and associated works, was drawn up from a survey carried out some months ago. At this time the future of Harvest Terrace was not clear and this truncation was included in the event that it remain open. The position of Harvest Terrace has only recently been clarified and there has been insufficient time unfortunately for a further survey to be done and amended plan prepared, due to the urgency of presenting the Bill to Parliament before the close of the current session.

I might add that tenders have been invited from thirteen contractors including many from overseas, for the first stage of the Mitchell Freeway. These close in January, 1966 and it is hoped that work will commence in March. Any delay in these plans could have an unfavourable reflection on the Department and the Government.

That clarifies the position and, as far as I am aware, it is generally acceptable to the members of the House Committee and also to members of Parliament.

As we know, there have been a number of discussions on this matter; and I must express appreciation, on behalf of the Government, for the consideration and ultimate agreement given by members of Parliament. I cannot agree more with the need to preserve the Parliament House reserve; and it is the responsibility of members of Parliament in this, and other "A"-class reserves, to see that any excision is done in the interests of the people of Western Australia generally.

The member for Beeloo made two other comments, one of which concerned the structure that will remain after the demolition of the Old Barracks building. This structure will remain, because of an undertaking given by the Premier, I think, that it would be left for historical purposes. The other matter referred to by the member for Beeloo was the erection of toilet services in the area, when these facilities may only be required for a limited period of time. The health regulations provide that such amenities shall be made available, and in the interests of the people employed there it is necessary to see that proper hygienic facilities are provided, even though it might be considered that the money could be expended in other directions. I think that covers the points raised by the member for Beeloo, and I again commend the Bill to the House.

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*

**MR. BOVELL** (Vasse—Minister for Lands) [2.52 p.m.]: I move—

That the Bill be now read a third time.

I would like to thank you, Mr. Speaker, in particular, because you presided at meetings of members of this Parliament and assisted in bringing this proposal to a successful conclusion, at least in this House.

Question put and passed.

Bill read a third time and transmitted to the Council.

## WUNDOWIE CHARCOAL IRON AND STEEL INDUSTRY AGREEMENT BILL

*Second Reading*

**MR. COURT** (Nedlands—Minister for Industrial Development) [2.54 p.m.]: I move—

That the Bill be now read a second time.

In explaining this Bill and its objective to members of the Legislative Assembly it will be necessary for me to go into a considerable amount of detail, for a number of reasons, not the least of which is that it is important that Parliament should understand the economic situation in respect of this particular industry, and the prospects of some greater security and expansion of it for the future.

The Wundowie industry which was established in 1943 under the authority of the Wood Distillation and Charcoal Iron and Steel Industry Act, 1943, is at a stage when a decision has to be made about its future. This is important in the interests of the decentralised development that Wundowie has produced, and also in fairness to the workmen and their families who are currently dependent on the industry, and who make up the township of Wundowie.

The production of charcoal iron has been achieved under considerable difficulty in a number of ways, and at different times improvements have been made in the methods of production, including increases in capacity and improved technology. A high-quality product is now produced consistently, as a result of improvement in equipment and advances in technology.

The industry covers a number of associated activities in addition to the actual production of pig iron; namely, the production of certain chemicals and a substantial amount of sawn timber related to the timber activities which are inseparable from the production of charcoal iron. The industry incurred heavy losses during its establishment period. These losses totalled £580,835, after charging £633,561 interest to the 30th June, 1959.

In the year 1960 the Government agreed to write off the sum of £683,783, which was allocated on the following basis:—

	£
Capital liability .....	656,339
Capitalised interest .....	27,444
Total write-off .....	£683,783

This amount was applied as follows:—

	£
A reduction in fixed assets	354,309
The elimination of the intangible asset "Preliminary expenses, research and experiment" .....	24,774
A reduction to £326,678 in the accumulated loss .....	304,700
Total .....	£683,783

This was not by any means a complete write-off—it is rather important that members should appreciate this—to bring the book value of the assets of the industry down to anything like their economic worth. However, there were good reasons at the time why a full write-off could not be achieved. I did at the same time say publicly that further write-offs would be necessary, but at that time this was the total amount of the write-off that could be achieved because of a number of reasons, some of which may be appreciated owing to the complex structure of finance as between the Commonwealth and the State, and to the other complexities of State finances. It was made clear at the time that this was intended to be dealt with progressively, having regard for the subsequent experience with the industry.

It is pertinent to say that it was originally intended, when the industry was to be located at Wundowie, that it would have access to some nearby iron ore, but this proved impracticable and the industry has drawn its ore from Koolyanobbing.

This brings problems, because of the distance over which the ore has to be brought. Also it is necessary to be selective in the mining so as to ensure that ore which is low in phosphorus is available to the Wundowie industry. I should mention that a large part of the Koolyanobbing deposit is very high in phosphorus, and is not acceptable to the Wundowie industry. There is another problem of an economic nature related to transport and additional to getting the ore to the plant; that is, when iron ore has been converted at Wundowie into a saleable product, either in the form of chemicals or charcoal iron, it has to be transported to markets in the metropolitan area, in other States, or in other countries.

Although the industry was intended to be a pilot plant it has for all practical purposes been carried on as a comparatively small conventional industry within the pig-iron-producing world, and its volume of production has been limited by a number of factors beyond the control of the board and the management. For instance, the life of the industry is to a large extent dictated by the amount of suitable timber available within economic range. This is currently estimated at approximately 40 years' life for the industry. If it is used too quickly it follows that the life of the industry in its present location would correspondingly be shortened.

It has been felt better to plan a steady operation rather than deliberately operate the industry on a basis which would shorten its life ahead of any other development that can conceivably be generated to take the place of Wundowie in this particular area. Markets for the industry's highly-specialised products are also a limiting factor.

A very good community has been established with reasonable amenities in this area; and it is because of the good spirit that has been generated, as well as the attractive type of town, that very special efforts have been made to find ways and means of ensuring the continuity of the industry and, if possible, expanding its activities.

When the B.H.P. agreement was written in 1960 for the establishment of an integrated iron and steel industry at Kwinana based on Koolyanobbing iron ore, ample provision was made for the foreseeable needs of Wundowie, and B.H.P. has co-operated and agreed to co-operate in future to do its best to ensure the Wundowie industry has the low phosphorous ore, which is vital to Wundowie's successful production of charcoal iron, because of the technical problems arising from phosphorous.

In simple terms, the economics of the industry have been adversely affected by the fact that the general trend in metallurgy throughout the world has, to a large extent, found other ways of producing cheaper specification iron such as Wundowie is capable of producing.

I might, by way of explanation, add that specification iron is an iron such as is produced at Wundowie where the seller of it can almost guarantee to the producer that it will have a stipulated content of the various chemicals and other material that go to make up this type of iron. This is very necessary when it is being used for specialised purposes. It has a limited part of the pig-iron market and for this reason is normally referred to in the trade as specification iron. It can be sold to a fairly accurate specification for various purposes.

We have introduced some equipment at Wundowie in recent times which greatly assists in determining this specification in the molten form in a matter of minutes, whereas previously it used to take some hours, and could not be done in the molten form.

At the same time, the volume of ore handled and iron produced has not increased to offset the very steep escalation of costs that has been experienced by all industry in Australia. Yet another point is the fact that the world price for pig iron has been fairly stable and highly competitive and it has not escalated upwards at the same time as the cost factors in producing pig iron and associated products have increased. To a certain extent, the same economic factor in respect to pig iron—for another reason, of course—has operated in connection with the price of gold where cost increases have been forever with each industry, but they have been selling virtually on a fixed price. Because of the economies of scale that are available to the pig-iron industry of the world and the ever-increasing volume in this industry, it has been able to absorb costs to a large extent. This has brought about a great degree of stability and competitiveness in world prices of pig iron, a field in which Wundowie has to compete in regard to part of its output, as distinct from selling specification iron. In other words, the world producers have had the economies of scale working for them to offset costs. Wundowie has not.

The local foundry industry absorbs 7,000 tons of Wundowie iron per annum. This is purchased by local industry at a slightly higher price—approximately 30s. per ton higher at the present time—than that at which it could be purchased from B.H.P. under its uniform capital city price structure.

For many years—and this goes back to the time when Sir Ross McLarty, who was Premier of this State, made a personal request to B.H.P.—B.H.P. has refrained from competing in Western Australia for the supply of pig iron to local foundrymen so as to leave the market available to the Wundowie industry. Without this arrangement Wundowie would not have been able to command practically the whole of the local foundrymen's business.

This has been of considerable value, although the total tonnage is only about 14 per cent. of the total produced, and will be an even lesser proportion when the number one blast furnace has been re-lined and rebuilt to step-up the overall production capacity at Wundowie per annum to 64,000 tons from the present figure of 50,000 tons per annum.

A number of improvements have been made such as the introduction of instruments to enable specification of the molten iron to be checked almost instantaneously to give better control. Also, a

shaking ladle has been installed to further improve quality, but these in themselves are not sufficient to ensure the economics of the industry as is reflected in the trading results over the last seven years.

With the indulgence of the House I would like to state the trading results over the last seven years. As I understand it, it is not permitted to hand in figures and have them reproduced in *Hansard*; they have actually to be stated. I hope they will be reproduced in *Hansard* in table form for the information of members. They are as follows:—

	Gross Profit.	Depreciation.	Inter-est.	Net Profit or Loss.
	£	£	£	£
1958-59	64,735	58,997	89,064	24,329 Loss
1959-60	217,874	77,156	90,175	50,543 Profit
1960-61	243,934	87,620	84,434	71,880 Profit
1961-62	240,228	90,096	85,939	64,193 Profit
1962-63	196,244	93,772	85,692	16,780 Profit
1963-64	166,714	93,504	87,019	13,809 Net Loss
1964-65	3,746	94,056	87,629	177,939 Net Loss

Members will note the downward trend in the profit to a loss following the installation of the new and improved blast furnace which has had the effect of assisting the industry to take up some of the slack in costs. Admittedly there have been one or two good selling periods over the time of this review, but the broader concept was that this new plant would enable them to take up some of the costs, but this has been eroded by the fact that the selling price of the finished product has been less than constant. This decline has been due to various world influences, and the costs have been steadily going up. In fact, the cost increases have averaged three per cent. per annum over the last six years without any corresponding increase in yield per ton of metal. It was inevitable the results would pass from profits back to losses with the passage of time.

I should add that in respect of the results for the year ended the 30th June, 1965, £139,098 is not regarded as a fair charge against one year and represents an adjustment of stocks and other items to what is thought to be a more realistic commercial figure. This has to be done in one particular year; and it was thought desirable to do it as at the 30th June, 1965. It is, of course, an internal book-keeping entry and does not represent any cash outlay or loss to the industry.

The method of valuing the stocks was under review at the 30th June, 1965, and it was found to be quite out of touch with commercial practice, regardless of the fate of the industry or the method by which it would operate in future; and it was thought desirable to have it reviewed and brought on to a more realistic basis. This represents an accumulation of over-valuation over a period of years so far as stock is concerned. It has been revalued in one entry in one year, which makes it unfair to 1965. The lower figure of loss is the figure to be taken into comparison

for this year—that is, the difference between £177,939 and £139,098, leaving a loss of £38,000 as a fair figure to use for 1965.

Likewise, regardless of the future of the industry, it is the intention to study the book values of the industry's fixed assets and see what adjustments should be made to give a more realistic figure and relieve the management of some of the heavy interest burden that is charged against the industry for assets which no longer have anything like the book value when measured in terms of economic worth.

As to whether this will be practicable, having regard for the number of technical problems that beset State finances, is something that can be determined only after closer study.

The management and the board have strenuously endeavoured to diversify their markets and avoid having the whole of their production sold in one place. This was a direction given by the Government back in 1960 because we were rather fearful that if we were not careful there could be too big a dependence for this specialised type of iron on the demands of one country. With this in mind negotiations have been conducted in Europe each year as well as in other countries at regular intervals to spread the sale of the industry's products.

We have been successful in Europe as a result of good negotiations by the general manager in supplying a goodly part of their specification iron requirements even to the extent of some of the European small producers of specification iron going out of business and relying on our production from here. This is, of course, the writing on the wall so far as specification iron is concerned and indicates the improved metallurgy that is practised making it easier for some of these countries to produce iron to their specification without having to have the special qualities of charcoal iron.

Without this diversity of market we could have easily had the situation where the whole of the production had to go to Japan at certain times and this would have been vulnerable—particularly as most of the product would have to be sold in competition with ordinary pig iron and not as specification iron.

Members will appreciate that if there is no market for specification iron it cannot be left lying around the yard. It has to be periodically sold as ordinary pig iron. This would realise only the price for pig iron instead of the premium price for specification iron.

At this point of time I would like to pay tribute to the board and management for the attention they have given to the industry and their efforts to endeavour to find ways and means of improving some of the economic difficulties.

In particular I would like to pay tribute to the enterprise and initiative of the general manager, Mr. Constantine. He is well known to many members as a capable young engineer. He has done work not only at Wundowie very well but has filled in a breach in a number of very important positions in Government departments. He has not only been an efficient manager and engineer but also a person who has made a great contribution to the industrial harmony and the social life of the local community.

The position of manager in a comparatively isolated community is not always easy and calls for a lot of sound judgment, far removed from the normal requirements of business management and efficiency. I think that it can be fairly said that Mr. Constantine has shown these attributes.

The sum total of the foregoing is that the Government felt it should try to find ways and means of obtaining a greater return for at least part of the iron that is produced at the Wundowie blast furnaces. In view of the fact that the State Government could not see its way clear to invest the very large sums that would initially be £500,000 in the type of industry that would be necessary to achieve this purpose, alternative ways and means were sought.

The prospect of a straightout sale of Wundowie to private enterprise on conditions calling for diversification and expansion of the activities as well as improvement of the economics was thought to be very remote. This decision was arrived at after close study with the management and a sounding out in a number of quarters considered appropriate to such a transaction. In view of this, attention was given to the possibility of a partnership arrangement whereby the know-how and money from the private sector would be brought in and joined with the existing industry, thus making a joint venture between the Government and private enterprise.

The broad basis on which this eventually developed in the course of negotiation was for the Government to contribute the fixed assets of the industry. I emphasise "fixed assets" as opposed to the "current assets", such as stock and debtors, because it is rather important that members understand this in studying the Bill and the various proposals that have been under consideration. In return for these fixed assets, approximately £400,000 of shares would be issued in a holding company and the private company would contribute cash to the extent of £420,000 initially in return for which it would receive shares to this nominal value.

The ratio would be 51 per cent. to the private investor and 49 per cent. to the Government. There would, of course, have to be safeguards about the appointment

of directors in order that the Government would have ample representation on the board, but these are matters of detail which were not as vital or difficult to negotiate as the economic factors. Members will be interested to know what could be involved as a matter of write-off if it had to be undertaken on the nominal value of the shares that were being issued in return for the fixed assets.

Mr. Rowberry: Write it down and then give it away! I mean write the value down.

Mr. COURT: Be patient! I think members will realise we have not done a bad job in trying to find the answer to this one.

Mr. Tonkin: Is it as good as the Hawker-Siddeley one?

Mr. COURT: That has been very satisfactory.

Mr. Tonkin: Yes, for Hawker-Siddeley, I have no doubt.

Mr. COURT: And for the State. It is reflected in more schools and classrooms and so forth. However, I will not get involved in that one because this one happens to be in a slightly different category.

It would involve a write-off of approximately £1,000,000 if it was intended to bring the book value down to the nominal value of the shares immediately, but such a write-off would not be undertaken until an accurate assessment could be made of the correct amount to represent the economic worth of the assets. This could best be done after several years of experience of operating in partnership with the private partner.

Mr. Rowberry: Who does that; that is, revalue at nominal value?

Mr. COURT: This is a rather complicated story and I am trying to give members a full explanation of it.

Mr. Hawke: Did you say "full" or "fool"?

Mr. COURT: If the venture turned out as it was hoped, it would probably be necessary to write off a lesser sum because of the improvement in the capital value of the actual shares in the new venture, but this at best could only be conjecture and estimate in the early stages.

The economic features of the proposal were by far the most difficult, and it became apparent that unless the costs of production could be reduced by at least £1 per ton there was no prospect of making a satisfactory venture even allowing for a successful establishment of a highly mechanised modern foundry and some other developments intended to give a higher return in money for every ton of metal handled.

The expanded production following the relining and rebuilding of No. 1 blast furnace would increase from about 50,000

to 64,000 tons per annum. This is being done regardless of current negotiations. This in turn requires 100,000 tons per annum of ore from Koolyanobbing, or some other suitable source, if it could be found on an economic basis and closer to the works.

In other words, the transport cost of this ore would need to be reduced by £1 per ton unless some other costs could be reduced to take care of the amount needed. This figure of £1 per ton is in addition to internal economies that it was felt could be made through some capital expenditure to be provided by the new partnership to improve the effectiveness and the efficiency of some of the plant and operations within the existing industry.

Members will know low value ore, such as pyrites, gypsum, and iron ore—other than B.H.P. ore under the 1960 agreement—receives a special subsidy from the Treasury which is 25 per cent. of the freight normally charged at the "M"-class freight rate. This is paid by the Treasury to the railways and so the subsidy is not borne by the railways.

However, the Government could not see its way clear to give an undertaking that an additional subsidy—that is additional to the normal subsidies paid over the years on low value ore—would be provided because it could create all sorts of anomalies in the freighting system.

Also, other avenues of assisting the industry were carefully studied and it was felt that unless some imaginative proposal, which had not up to this stage been thought of, could be devised, this concept of a joint venture would have to be abandoned—attractive though it was in some particulars.

The key to the whole project was to be the establishment of a modern mechanised foundry which would have a large tonnage capacity by Western Australian standards; and through the pouring of hot metal direct from the blast furnaces into the moulds at this foundry near the blast furnace location it was expected to be able to produce castings on a highly competitive basis and of good quality. It was also planned to develop ductile iron. This iron has special high strength qualities and is finding favour with the automotive industry. It will, in fact, take the place to an increasing extent of a lot of steel forgings being increasingly used in the automotive industry because of the strength which can be developed in the metal through the advances which have been made in metallurgy.

Further extensions of these processing and fabricating activities were planned on a progressive basis. They would all require additional capital as each one was undertaken, but they would, through the

higher value per ton to be achieved from the processing and fabrication, help to offset the inevitable escalation of costs.

The company we were talking to had a number of ideas—together with the management of Wundowie—to extend beyond the straightout foundry stage into other forms of processing which would have steadily increased the average return per ton of metal; which, in the final analysis, would be the success or failure of the venture.

It would require additional capital and the end result would be a much more diversified industry. The objective would be to reach a total of 20,000 tons per annum processed at the works in one form or another, so as to increase the proportion of metal processed on the site to give a higher average value, and improved economics to the whole venture. If, out of 64,000 tons, 20,000 tons was processed and fabricated on the spot, it could have a very important bearing on the economics of the show.

One method explored to assist the industry was through a freight subsidy which would be phased out over a period of eight years. It was hoped that with the establishment of the foundry and the development of other activities which would produce a higher return in money per ton of metal, the industry would then be able to carry the freight without direct subsidy additional to the normal subsidy that all low value ore, other than B.H.P., receives. However, this did not prove to be manageable and it also had to be abandoned.

In all these negotiations based on a joint enterprise between the Government and the private company it was on the basis that the interest due to the Government would not be charged against the joint venture and the Government would rely on the dividends from the joint enterprise to partly offset initially and later to cover the interest that would otherwise have been charged against the Wundowie industry.

The amount of interest that would be attributable to the fixed assets—which for all practical purposes is the only amount involved for the purpose of this calculation—would be £72,000 per annum.

The value of the current assets, that is stock, book debts and the like, was to be reimbursed under the arrangement that was under negotiation so that the indebtedness to the Treasury would be reduced accordingly to the amount directly related to book value of fixed assets.

For a few years it was expected that the dividends would not be sufficient to cover the interest but it was estimated that, after the foundry and expansion into ductile iron and other products—which would reflect escalation of the costs through escalation of price—the dividends would improve to eventually get close to

the actual interest cost, even ignoring any reduction in interest that would be achieved on a "book" basis through the writing down of the industry's indebtedness to the Treasury.

The problems associated with royalties on timber and the like did not present any serious difficulties, although there might have been some difficulties in giving the assurances required by the joint industry for the protection of their timber supplies. This was a matter to be negotiated with the Minister for Lands and Forests and there appeared to be no reason why a mutually satisfactory arrangement could not be reached once the economics had been established and the industry satisfactorily covered.

It is interesting to note that even if the Government had accepted the responsibility to pay a freight subsidy, or some other form of subsidy, the estimated net results of the business on a joint venture basis over the next seven years would have resulted in a net cash gain to the State—that is, an actual cash gain to the Government—of approximately £160,000 if the £1 per ton assistance could have phased out over a seven-year period.

If this assistance could have been reduced to 15s. per ton the net cash gain to the State over the next seven years would have been something like £240,000. These figures are measured as against the estimated results of carrying the industry on in its present form without the advantages to be achieved from the establishment of the foundry and other activities to produce the higher return in money per ton for a reasonable proportion of the total iron production.

Similar figures on a 15s. per ton basis continuing right through the seven years and without any phasing out would have produced a net cash gain to the State of £136,775 as compared with carrying on the business in its present form.

It will be interesting to note that during this period—using this proposition, which it now appears we will not be able to successfully negotiate—there would have been income tax payable by the joint company had the results from the foundry and other operations reached the level that was anticipated.

I would like to just round off the reference to the first part by saying that it does appear impracticable to bring about an arrangement whereby we could join the present enterprise—a State industry—with a private company and achieve what we wanted to with the Government retaining an approximate half interest in the future expansion.

The economic difficulties are, I am afraid, insuperable. If, between now and when the debate resumes, any member wants information on this particular point of the economics I will be only too pleased

to make those figures available to demonstrate the difference between the two types of transactions.

Mr. Rowberry: What is the value of the assets at Wundowie at the present time?

Mr. COURT: For fixed assets, the figure is just over £1,400,000. The current assets are separate to the fixed assets, in the comments I have made. I should emphasise that regardless of what happens as a result of the current negotiations, the Treasury is giving consideration to the treatment of those assets because there is a very heavy interest burden for the industry to carry at the present time. It is well known by those involved in the industry that their book value is far in excess of the economic worth. In other words, the economic worth is what they will earn.

I should explain that the payment of income tax to the Commonwealth Government so far as the State's share is concerned presents some undesirable features, but this, in addition to some other considerations, has led us to look for alternatives.

Mr. Curran: Don't you think this smacks of subsidising private enterprise from the public purse, just the same?

Mr. COURT: Not at all. This is a case where we are trying to use some outlets of a private industry to help a Government concern. It is certainly not the other way round.

Mr. Rowberry: What burden would the interest be? It would be just like taking it from one pocket and putting it in another.

Mr. COURT: The interest has to be paid.

Mr. Rowberry: But it is just paying yourself back.

Mr. COURT: We could argue on this question for a week; but the interest has to be paid, and if it is money owing by the State Government it carries interest and therefore it cannot be ignored and given no consideration.

Mr. Tonkin: When it is written off it still carries interest.

Mr. COURT: It carries interest as long as the Government owes the money.

Mr. Tonkin: That is the position with the State Building Supplies.

Mr. COURT: It carries interest as long as the money is owing. Nobody has denied that or suggested it is not the position. The same applies when railway capital is written off because lines are closed. Somebody still pays the interest even though it does not appear in the railway accounts.

Mr. Tonkin: It is still a charge on revenue.

Mr. COURT: I am trying to represent to members a full and factual account of the difficult economic problems



that confront the industry. We have been trying to devise ways and means to ensure this industry's future by giving it some diversification. I think if members opposite look at this objectively, and free from any political bias, they might find we have not done too bad a job in trying to find a way around this problem, bearing in mind we cannot afford, and neither would we agree to supply, the very large sum of money that is necessary to re-equip this place to provide for diversified activity as a purely Government foundry.

I should now like to comment briefly on the alternative that is currently under consideration. An alternative that has been explored involves the establishment at Wundowie of a modern mechanised foundry by a private firm with an annual capacity of 6,000 tons per annum initially. This would be on a negotiated basis whereby the company agreed to pay a reasonable price for the pig iron taken in molten form direct from the blast furnace into the mechanised foundry. We are trying to reach the stage where the proposed works will become part of a Wundowie complex. There would be an integrated management, but they would be two separate businesses. The complex would be run on integrated lines under an integrated managership such as a person like Mr. Constantine. He would be the manager of the total complex even though there would have to be a financial adjustment between the two industries for management costs.

The company would accept under its contractual commitments the obligation to develop ductile iron, and also other forms of processing and fabrication which would not only increase the return in money per ton but would also expand the tonnage so processed over a period of years. The object is to increase the proportion of the total output of the Wundowie industry that is sold within Australia on a basis that reflects something of Australian cost and price escalation as distinct from the fixed and highly competitive overseas prices which do not reflect the inevitable cost escalation in this industry. This has been about three per cent. per year for the last six years.

The whole of the financial commitment for the establishment of the foundry and developments of it would be the responsibility of the private industry. The Wundowie industry would continue as at present, selling part of its production abroad, in the Eastern States, locally, and in any other fields it can—it will be a completely free agent in the selling of this metal—in addition to the new outlet that would be developed by the foundry and the associated activities established there. In other words, we would have the opportunity to sell an ever-increasing proportion of the total output at a price which reflected something of the Australian cost escalation.

Although the State Government would not make any contribution to the capital cost of establishing the foundry and associated industry, the Government would participate in a share of the profits from the industry. I want to explain this. The Government would not be called upon to make any capital contribution for the foundry or the extension of it, but would participate in the profits of that foundry and any other industries that are developed as part of the foundry project. In other words, as compensation for allowing the industry to establish close to the blast furnace, and have the advantage of molten metal without the normal metal melting costs that most foundries have, the Government would be reimbursed through sharing in the profits thus hoping further to increase the return per ton in money for the metal used in the foundry and associated activities.

If this proves to be a very successful venture, as we think it could do, of course the Government will be participating in this venture on the profit end instead of just accepting a fixed price for its products. Under this system the State Government would only have the responsibility of keeping the Wundowie charcoal iron industry in a state of good repair, and it is not envisaged that the capital demands on the Government for the industry would be very great, and in most circumstances it would be manageable within actual funds generated by the industry itself through depreciation and similar allowances that would be charged in the accounts. It should be clearly understood, however, that the losses on the industry, which are expected to continue and possibly increase, as evidenced by the figures I have already given the House this afternoon, would be borne by the Government in the normal way.

It should be pointed out, however, that as a result of the assured market for the iron that would be taken in molten form by the new industrial development at Wundowie, a better yield could be received in cash per ton of metal and this would help slow down the increase in loss. Also any participation in the profit would assist in reducing the amount of loss that the Government would have to carry from the industry under the new arrangement compared with operating under the existing organisation.

Naturally, with the advent of the standard gauge railway, and the new arrangements at Wundowie, every effort would be made to find ways and means of minimising the loss in the charcoal iron industry, but it would be wrong to make any estimate of what savings might be effected there in view of the fact that the management has consistently over the years sought every opportunity to keep costs to a minimum and offset some of the escalation of costs that has been taking

place. In other words, this has reduced the extent to which internal efficiency can further reduce the losses on the industry.

The firm that has been the subject of most of our negotiations is Australian National Industry (A.N.I.). This is an Australian company which has a very large business within the metal industry of Australia, and particularly strong metallurgical know-how. What is probably its most important attribute is its connection with the automotive parts industry which gives it a market for mechanised castings to a greater extent than probably most other people in Australia. It is the only firm interested that has access to a market where there are large numbers of parts that have to be produced in a mechanised foundry and which could possibly deal with the tonnage of output and its disposal that will be necessary. This firm has always been closely associated with the automotive industry and hence its interest in ductile iron.

It is only through this form of product that a foundry could be established and justified at Wundowie; otherwise it would be much more economic to establish a foundry closer to a source of metal, such as B.H.P.'s blast furnace to be built at Kwinana, or in some other capital city. I might add that the pig-iron, or the foundry iron that B.H.P. supply, could be run in special batches suitable for conversion to ductile iron. Although the ordinary run-of-the-mill pig iron would not be suitable, special batches could be run; nevertheless the charcoal iron has an attribute which could be just a little in its favour where high tolerance tests are imposed by the automotive industry. This could be the determining factor.

One of the offsetting factors so far as A.N.I. is concerned is the fact that the iron produced by the charcoal iron process would give a product which would be more suitable for conversion to ductile iron and the production of the type of castings that are necessary if A.N.I. is to be successful. Without such technical advantage it is quite obvious it would be impossible to negotiate—with all the other difficulties of an economic nature we have to contend with—for a firm such as A.N.I. to establish at Wundowie.

I have not endeavoured to expand too much on the type of products that could be developed as an extension of a mechanised foundry. Naturally, we would expect the mechanised foundry itself to expand. We should realise that its initial capacity of 6,000 tons per year is a formidable figure when measured against the total foundry capacity in Western Australia at the present time. It is significant to note that the total amount of charcoal iron supplied to all the foundrymen in Western Australia from Wundowie at present totals only 7,000 tons per annum.

Also it would be wrong to foreshadow that the industry would not expand into some of the types of castings that are currently being undertaken in Western Australia, but I am assured that A.N.I., in particular, is more interested in getting into the repetitive type of highly-mechanised foundry work as distinct from the jobbing work which forms a large proportion of the Western Australian foundry capacity and business.

With adjustments that would take place internally as a result of the expanded industry, it is expected that approximately 80 additional jobs would be created at Wundowie, if we are successful in negotiating the establishment of this extension of current activities. It would bring the total work force up to about 450, which would support a community expected to expand from its present level of about 1,200 men, women, and children, to approximately 1,500.

It is not without difficulty to negotiate one or more of the different methods that have been attempted in the past and are going to be attempted in the future, but there is a degree of urgency, and it is felt desirable to obtain from Parliament the necessary approval to negotiate and finalise the transactions, using the broad outline I have given during the introduction of this Bill.

It might be argued that we should negotiate an agreement and then have it ratified by the next session of Parliament. This, under certain circumstances, could be completely impracticable, and we would lose an excellent opportunity to gain development and security that we so badly need in the interests of those who live and work at Wundowie.

However, the Bill provides for the legislation to be ineffective after the 30th June, 1966, on the basis that if we have not finalised an agreement by then, it would be reasonable to expect the Government to bring the transaction to Parliament for ratification during the next session, which would normally commence late in July, 1966.

The Bill is comparatively simple. Clause 2 is confined to setting out the definitions, as is customary with measures similar to this. Clause 3 sets out the powers which are to be given to the Premier and Treasurer, acting on behalf of the State, and any public authority to enter an agreement; and the forms of agreement provided are wide and varied. I want to emphasise this, because if we do not have these powers, it could be that we could get a desirable type of agreement which could not be completed because of some restriction being imposed.

We did discuss with the Parliamentary Draftsman the headings of the agreement that could be incorporated in the Bill, but it was felt that if this were done it could be to the disadvantage of the Government

in its negotiations, because once the schedule was included in the Bill, it would, for all practical purposes, constitute the conditions under which some party would want to conduct, and within which to confine, negotiations. Members will note that the clause provides for the sale, purchase, and leasing of the Wundowie works, and for the formation and registration of a company or companies; and that the Government may hold shares in any company formed for purposes of these or associated activities that could go with any one or more of these functions.

Mr. Jamieson: You will be unlucky if you do not get it completed by some time in July next year.

Mr. COURT: If we cannot make a satisfactory deal, we will not complete it by then. I am quite certain that there is a long way to go and some tough dealing to do if we are to negotiate satisfactorily. I do not want to give the impression that we have a negotiation just around the corner in regard to this matter. If we could have concluded an agreement in time we would certainly have brought it to Parliament, that being a more simple approach; but it was felt by the Government, after mature consideration, that to leave the matter in the air until the next session could be to the detriment of Wundowie.

The rest of the clauses are, to a large extent, machinery clauses, and are consequential on clauses 2 and 3. Among these clauses we have made provision for the industry to be protected under the Broken Hill Proprietary 1960 agreement, because there are certain provisions in that agreement which relate to the supply of ore to Wundowie.

Mr. Hawke: Does the Minister take sugar in his tea?

Mr. COURT: I can take a hint.

*Sitting suspended from 3.46 to 4.5 p.m.*

Mr. COURT: I had almost come to the end of the comments I wanted to make. I had invited the attention of members to the main clauses of the Bill in connection with the powers the Government is seeking. Perhaps I should summarise the position briefly.

Firstly, there is no doubt that the industry in its present form is facing very important economic difficulties. These must be faced up to, and it is thought that one of the best ways to overcome these difficulties, or to assist in alleviating them, is to find some way of extending and diversifying the activities of the Wundowie industry.

Secondly, in view of the fact that it has been accepted that it is not practicable to arrange for a sale of the Wundowie industry under a contract which would

provide for its expansion and diversification, efforts have been made, to date without success, to try to find a partner who will join on approximately equal shares with the Government in the expansion of its activity, without involving the Government in additional capital, to provide this diversification.

Although negotiations have not been successful to date, I do not want to give the impression that they have been completely abandoned; although we are not very hopeful, because of the economic factors.

The third point is that, as an alternative, in order to try to achieve the object of diversification of the Wundowie activities, negotiations are proceeding to find a firm—in this case the firm mainly under consideration is A.N.I.—to undertake the responsibility to establish at its own cost, firstly, a foundry—and then an extension of the foundry activities to take the molten metal direct from the blast furnace.

It is because of this we seek authority for such agreement if Parliament is not in session. The legislation will cease to be effective, if it is made an Act, on the 30th June, 1966. In other words, any agreement negotiated after that date, and finalised and signed after that date, will have to be ratified by Parliament.

I would like to make one final point, in case there is any misconception on this matter. We are not wedded to A.N.I. If we can find a firm which would do the job on better terms, or do it to the greater satisfaction of the Government, we would be prepared to negotiate with that firm. We have not ruled out the possibility of local firms, but in view of the large capacity of this special type of mechanised foundry, it is not difficult to appreciate that it will be difficult to find a local firm which will be prepared to accept this commitment. The financial commitment would not necessarily deter a firm, but the fact is that we would need to have a firm which would have, or be able to develop, a market for a virtually new product in this State; namely, large volume mechanised castings, and particularly ductile iron castings.

Debate adjourned, on motion by Mr. Hawke (Leader of the Opposition).

## BILLS (3): MESSAGES

### *Appropriations*

Messages from the Governor received and read recommending appropriations for the purposes of the following Bills:—

1. Parliamentary Allowances Act Amendment Bill (No. 2).
2. Members of Parliament, Reimbursement of Expenses Act Amendment Bill.
3. Wundowie Charcoal Iron and Steel Industry Agreement Bill.

## QUESTIONS (10): ON NOTICE

### TYRES ON GOVERNMENT VEHICLES

*Forests Department: Makes and Average Mileage*

1. Mr. BICKERTON asked the Minister for Forests:
  - (1) How many Government vehicles are operated by the Forests Department?
  - (2) With what brand or brands of tyres are they equipped?
  - (3) What is the average mileage per tyre prior to—
    - (a) recapping or retreading;
    - (b) being declared unserviceable?

Mr. BOVELL replied:

- (1) 376.
  - (2) Various brands but specific details are not available.
  - (3) This information is not available.
2. *This question was postponed.*

### DAM ON GASCOYNE RIVER

*Investigations: Money Allocated*

3. Mr. NORTON asked the Minister for Works:
 

What amount of money has been allocated in this year's estimates for further investigation of dam sites on the Gascoyne River and/or its tributaries?

Mr. COURT (for Mr. Ross Hutchinson) replied:  
£5,000.

### SERVICE STATIONS AT NORTH BEACH

*Applications for Re-zoning of Sites*

4. Mr. GRAHAM asked the Minister representing the Minister for Town Planning:
  - (1) Has he any requests for re-zoning for the purpose of establishing service stations at North Beach?
  - (2) If so—
    - (a) how many;
    - (b) by whom were they lodged;
    - (c) when were the applications made;
    - (d) what sites are involved;
    - (e) has a decision been made and, if so, what?
  - (3) If no decision has been made, when does he anticipate it will be?

Mr. LEWIS replied:

- (1) No.
- (2) and (3). Answered by (1).

## PUBLIC WORKS DEPARTMENT BUILDING

*Barracks: Nature and Cost of Work*

5. Mr. JAMIESON asked the Minister for Works:
  - (1) What is the nature of the work at present in progress, in and about the archway of the Public Works building (Barracks)?
  - (2) What is the estimated cost of these activities?

*Toilet Extensions: Cost*

- (3) What is the estimated cost of the brick extensions to toilets on Parliament House Reserve at approximately the rear of the architectural section of the building?

Mr. COURT (for Mr. Ross Hutchinson) replied:

- (1) Underpinning the foundations of the archway.
- (2) £2,000.
- (3) £550.

## SCHOOL-LEAVING AGE: EXTENSION TO 15 YEARS

*Children Involved*

6. Mr. TONKIN asked the Minister for Education:
  - (1) As a consequence of the amendment of the Education Act in 1964 requiring that, after 1965, children must remain at school until the end of the year in which they turn 15 years of age, what is the estimated number of additional children who are expected to remain at school in 1967?

*Teachers and Classrooms: Adequacy*

- (2) Is it confidently anticipated that sufficient teachers will be available without increasing the size of classes and that sufficient classrooms will be ready in time?

Mr. LEWIS replied:

- (1) About 2,500.
- (2) Yes.

## LAND SUBDIVISIONS

*Public Open Space Excisions: Payment in Lieu*

7. Mr. HALL asked the Minister representing the Minister for Town Planning:
  - (1) Is it to be interpreted from the action of the Government in introducing amending legislation to provide greater flexibility in the provision for open space land in subdivisions, and that small tracts of land unsuitable for public purposes be sold and money paid into a fund?

- (2) That the present conditions regarding subdivisions made by the Town Planning Board for the purpose as mentioned are and were illegal?

Mr. LEWIS replied:

- (1) No.  
(2) No.

### SENATE VACANCY

*Senator Vincent: Election of Replacement*

8. Mr. JAMIESON asked the Premier:  
Will any further notification from the Commonwealth be required by the Governor before issuing a writ to hold a Senate replacement election conjointly with the House of Representatives election in 1966, as the result of the death last year of Senator Vincent?

Mr. NALDER (for Mr. Brand) replied:  
The Governor will require notice of the writ for the House of Representatives election.

### SCHOOL ENROLMENTS

*Millen Infants' and Primary Schools: Attendances*

9. Mr. DAVIES asked the Minister for Education:  
(1) What is the present number of children attending—  
(a) Millen Infants' School;  
(b) Millen Primary School?  
(2) What are the estimated numbers which will attend these schools in 1966?  
*Survey of Future Attendances*  
(3) At what time each year do schools seek information as to intended new enrolments?  
(4) In what manner is such information sought?

Mr. LEWIS replied:

- (1) (a) 93.  
(b) 628.  
(2) (a) 130.  
(b) 620-630.  
(3) Throughout the second half of the year.  
(4) Mainly from information supplied by children and parents but also from local authorities, State Housing Commission, etc. as to number of new houses.

I understand the department considers that in most areas each household represents .8 of a primary-school child.

### ELECTRICITY METERS IN FLATS

*Rockingham Block: Application of Departmental Policy*

10. Mr. GRAHAM asked the Minister for Electricity:

Advertising to the question asked on the 11th November in connection with the installation of electricity meters to separately owned self contained flats, will he relate the question to the block of four flats at 129 Parkin Street, Rockingham, originally owned by Mr. M. J. O'Rourke, but two of which were sold about five years ago?

Mr. NALDER replied:

Inspection shows that safety considerations make it inadvisable to have separate master services for each flat unless considerable alterations to the electrical installation, and some structural alterations, are effected.

### STATE TENDER BOARD ACT AMENDMENT BILL

*Second Reading*

Debate resumed, from the 18th November, on the following motion by Mr. Brand (Premier):—

That the Bill be now read a second time.

MR. JAMIESON (Beeloo) [4.18 p.m.]:  
As the Premier indicated when he introduced the measure, it is a very small amendment to the Act which is about to be proclaimed, as a result of a Bill which was passed by both Houses during this session, that being Bill No. 40 on the list.

All that the measure before us seeks to do is to give the Government a wider scope in the appointment of members to the State Tender Board, which is to be set up under the Act, rather than under regulations promulgated by the Treasury. This is quite a desirable feature, and the main intention is to obtain the services of Mr. Telfer to commence the operations of the board, in view of his lengthy service with the previous tender board. No doubt his experience and co-operation will enable the new State Tender Board to get off to a flying start in the next year or two.

In response to a proposition which I put forward, it seems that the Premier's intention is to appoint a full-time chairman to the board, in view of the magnitude of the duties. I understand that towards the end of his appointment as Under-Secretary for Mines Mr. Telfer was finding it difficult to keep up with the duties of the board.

As the State grows, more and more duties and responsibilities will be thrust on the board, and it is a good move to set up the board under the guidance of Mr. Telfer, and subsequently to have a full-time officer to be in charge of its affairs.

Mr. Bickerton: It would be tough on the Tender Board.

Mr. JAMIESON: It would be. This Bill is a step in the right direction, but I hope it will not be the intention of future Governments to appoint people to the board just for the sake of appointing them. People possessing special qualifications would on occasions be of considerable assistance to the board, as Mr. Telfer is at the present time.

Although he has been appointed as special advisor to the Mines Department, during the period of the setting-up of the State Tender Board under the new legislation, he will spend the bulk of his time with the board, and towards the last six months of his appointment he will be serving almost on a full-time basis. Because of his wealth of experience, and because he has been a very effective civil servant—who was always prepared to do his best for the State in any capacity in which he served—the Premier's action in appointing him is fully justified. I have much pleasure in supporting the Bill.

**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. Nalder (Deputy Premier), and transmitted to the Council.**

## LOAN ESTIMATES, 1965-66

*In Committee*

Resumed from the 7th October, the Chairman of Committees (Mr. W. A. Manning) in the Chair.

**Vote: Railways, £5,085,000—**

MR. BRADY (Swan) [4.20 p.m.]: In speaking to the Loan Estimates there are a number of matters I wish to raise in connection with the railways, as I know my electors will be disappointed if I do not raise them, particularly those concerning the standard gauge railway.

At the moment, the standard gauge railway is passing through my electorate; and, within 100 yards of my home, there is a considerable amount of confusion, trouble, and difficulty being experienced by the ratepayers; and these people have not been able to get anywhere as a result of effort on my part through departmental officers and through the Minister. This approach has got them nowhere. Naturally they are looking for some redress or consideration from the Government in regard to their problem; and whilst it may not be of great material satisfaction to them to have these matters ventilated in Parliament, it may give them some satisfaction to know they are recorded in

*Hansard.* In addition, members of Parliament will be able to see what may be expected in their electorates as work on the standard gauge railway continues.

Whilst I will be talking mainly on the standard gauge railway and the difficulties being experienced in my electorate, I want also to deal with the Loan Estimates in so far as they affect the spending of money from the General Loan Fund. As far as I can see, while about £58,000,000 is being spent on the railways, an absolute minimum amount of this money is being spent in the Government railway workshops which, in the first instance, were built to look after the activities of the railways in regard to locomotives, rolling stock, coaching stock, repairs, maintenance, railway projects, and so on. Despite this, out of the £58,000,000 being spent, it appears that an absolute minimum will be spent in the Government railway workshops, which were essentially built for railway activities.

Mr. O'Connor: They are being given the opportunity of tendering.

Mr. BRADY: That is an interesting point the Minister has raised; and seeing the matter of tendering has been brought forward, I would appreciate it if the Minister for Railways or the Minister for Transport would point out to me why the workshops are missing out on these tenders.

When railway matters are being discussed in this Chamber the Minister for Railways continuously emphasises the efficiency of the railways. The railway workshops have had a 50-years start on these other companies; so where is the efficiency if they are missing out on the tenders? That is the sort of thing that is worrying me. Is it because the railway workshops are so cluttered up with machinery and overheads that they cannot get within range of the tenders submitted by other organisations, some of which were on the way out in a financial sense, some six or seven years ago? Some of them did not know where the next penny was coming from a few years ago—back in 1959—but today they are flourishing firms, making big profits at the expense of the taxpayer in Western Australia and at the expense of the Government workshops and its railway employees.

I think that is a reflection on the Government, and it is not giving a fair go to those railwaymen who, more or less, devote their lives to the railways, so far as their employment is concerned. I am going to have quite a lot to say about that later; because, while it has been the policy of the Government to do everything to drive the men out of the railways over the last five or six years, the Government is now in a position where it is trying to get the men back again and is not meeting with much success. In my opinion, this

is ultimately going to have a serious impact on the railways. In fact, as I see the position as the member for Swan, our railways to some extent are gradually grinding to a halt.

The member for Darling Range laughs. That is his contribution! It will probably be his contribution for the rest of the session. However, he may let us know what he thinks about the railways if he speaks on these Loan Estimates, when we will find out he knows as much about the railways as he does about other things.

As I said before, I am really concerned about the railway workshops, as they were built as an enterprise to handle railway activities, and yet the railwaymen for the last five or six years have been so discouraged that they have left the railways. The result is that the Railways Department is now paying out considerable sums of additional money to get a job done which should be done in normal hours and not at overtime rates. In the locomotive section of the railways I believe 109 cleaners were employed in recent times and 89 or 90 of them left. I believe the firemen are leaving like rats from a sinking ship.

The Minister for Transport recently replied to me in connection with permanent way men, and his answer reveals a staggering position. On the 12th November, the Minister assisting the Minister for Railways wrote to me giving me a reply which should have been given in the House. He had this to say—

On November 10, 1965, you asked a Parliamentary Question concerning railway permanent way employees, and in reply you were advised that the information was not readily available but that it would be extracted and you would be advised as early as possible.

The information you requested is as follows:—

**Question 1:**

What number of permanent way gangs were understaffed in W.A. at 30th June, 1965?

The answer stated that 123 gangs were understaffed. Continuing—

**Question 2:**

What number of permanent way employees:

- (a) resigned for year ending 30th June, 1965;
- (b) were engaged?

The answer was as follows:—

- (a) 1,152.
- (b) 1,076 excluding 102 men, ex-employees of Midland Railway Co. of W.A. Ltd.

Anyone who knows anything about railways knows that it is a serious position for a railway to be in—a railway in which

£100,000,000 of public funds is invested. If there is no permanent way, there is no railway. We can have all the efficient commissioners of railways, chief traffic managers, district loco superintendents, permanent way inspectors, and all the other heads of railways; but if there is no permanent way capable of carrying some 10,000,000 or 12,000,000 tons of traffic per year, there is no railway. Yet we have the revealing position that the Minister for Railways could not tell me how many gangs were understaffed on the 30th June, 1965.

If I had been the Minister for Railways or the officer in charge of this department I would have had a day-to-day record of what was going on in the permanent way when the serious situation had been reached where 1,000 men a year were leaving. There should be a special inquiry. Why are 1,000 men leaving for some unaccountable reason?

Mr. O'Connor: You are not quite fair.

Mr. BRADY: I am. I asked the same question last year and was told that 1,000 men left last year and I have been told the same this year. What I am trying to do is impress upon the Minister and his assistant that they are getting into a very serious position and that unless they do something about it very shortly the railways will not be able to handle the traffic offering to them. If they are relying on road transport to handle the extra traffic they will be in for a shock because the road transport is already being utilised to capacity.

Mr. O'Connor: That information was given a couple of days after you asked for it.

Mr. BRADY: Yes; but why was it not given on the same day? It was referring to the 30th June, not to the 30th November or the 15th November. This concerns the railways, in which £100,000,000 of public money is tied up. There are 123 gangs understaffed, and yet I have to wait for some days to get a reply.

The position is serious because I understand that in some parts of the State there is only one man, a ganger, and a gang usually looks after 15 to 20 miles of permanent way. Many gangs have only three or four in them and four men are required to pull a trolley on to the railway line.

My attention was drawn to the situation when I was travelling on the Wongan line to Geraldton during Show Week. I could hardly drink a cup of tea on the train between Goomalling and Morawa. That is how rough the permanent way was in that particular area.

As so much money is being poured into private establishments in the metropolitan area I am wondering why more is not being used in the Midland workshops for the upgrading of the rolling stock, to do

new work, and generally improve the overall position for the permanent way, the loco men, and the traffic and other sections.

I wish to draw the attention of the Minister to the meagre amount of money allowed on the Estimates for the workshops, as compared with previous years. In 1963-64 the expenditure on rolling stock was £1,045,558; while for the current year, 1964-65, it was £135,366. I am wondering what is going to happen to the rolling and coaching stock for the standard gauge railway, because as half the work has now gone to private firms around the city it is about time the railway workshops were given some new work rather than left with maintenance and repair work. These tradesmen and their apprentices appreciate new work rather than maintenance and repair work.

I have seen no reference to coaching stock for the standard gauge railway and I was wondering whether the department is now negotiating with the Eastern States railways to run their coaching stock over our State railways, once again taking away the work from the Western Australian Government workshops. I might be right off the beam in some of my statements, and if I am I regret it. However, unless information is made available to members readily when they ask questions they have to surmise. When we interview people and find out that permanent way men and the loco men are leaving the job we begin to wonder what is going to happen to the future of the railways.

I have another reason for referring to the Midland Junction railway workshops. There are huge workshops there in which a colossal amount of capital is invested in plant and machinery. The workshops provide an avenue of employment for the people in the Swan electorate. Already the steam section has been virtually closed down, and these men have been transferred to East Perth and Kewdale. As a result they are shifting their residence away from the Swan electorate and business has been lost by the Midland business people and also avenues of employment are being lost as well as potential apprenticeships.

Therefore I feel I should refer to the meagre amount being spent on rolling stock as compared with what has been spent in previous years. I am hoping the Minister and the assistant Minister will do what they can to avoid importing rolling stock from the Eastern States and overseas when it could be built in the shops at Midland Junction.

I am also intrigued with some of the brochures and information distributed about the standard gauge railway, and I have asked a series of questions to which I expect to get the answers next week. However, before I get on to that angle, I want to say that when I was speaking on

this subject last year I thanked the Minister for arranging for the parliamentary party to inspect the line through the Avon Valley. I want to take this opportunity this year of thanking the assistant Minister for arranging a similar trip some little time ago for the members of the shire councils and members of Parliament. The project seems to be progressing very well, and I think we are all pleased to think the money is being spent on that railway. I know that not one of us would hope that it would be a failure.

However, when we see and hear certain things we ask ourselves whether all the glamour that has been associated with the standard gauge railway is justified. In one of these brochures it reads—

These improvements to the service, alone, will convert the present £500,000 a year loss on the Perth-Norham section into an operating profit of nearly £100,000 a year.

In other words, there will be a saving on the Perth-Norham line of £600,000 a year. That same figure was mentioned about four or five years ago and at that stage only £2,250,000 was going to be spent on this line on a single line dual track. Today £9,500,000 is being spent on a double line dual track. Is it in order that these brochures such as I have in front of me should claim that there will be a saving of £600,000 a year? I feel it could be misleading to many people.

What I am concerned about—and I know that you, Mr. Chairman, will appreciate this, being a country member—is what effect this will have in the long run on transport costs. Here we have a railway which was originally estimated to cost about £41,500,000. I think the latest estimate is £58,000,000. If we say £42,000,000 was the original estimate, to make it easier, the difference between £42,000,000 and £58,000,000, is £16,000,000. That is a third more than the original estimate; and if we take into consideration the interest, we realise that the State is now up for some £500,000 or £600,000 more interest than when the project was first started.

Then, of course, later on we have to have a depreciation fund and a sinking fund; and who is going to pay for all that? Is the primary producer to accept extra freight charges over and above the money he is now being called upon to pay so that the State can receive matching money?

You, Mr. Chairman, are a man who, I know, gives a lot of thought to the economics and other activities of the railways—and of other spheres—in Western Australia. I ask you: Can we afford to be spending millions of pounds on roads, and at the same time, spend millions of pounds on railways and expect the users to pay these enormous costs? I myself think that the Minister for Railways is going to be in a lot of trouble unless the B.H.P. and the



primary producers have their costs in connection with the standard gauge railway stepped up considerably. That will not be easy to arrange.

In the meantime, I am concerned because railwaymen are leaving the job like flies. That is not a very happy position in what could be the biggest business concern of the Government in Western Australia. There are reasons for the men leaving, and I am going to mention one or two of them. We know, of course, that the private companies doing work in the north-west have been offering very high wages and salaries to attract people to the north. Also, I have here an extract from *The West Australian* of the 16th November, 1965, which states that lads at the age of 17 and 18 years can get full adult pay and have a career by joining the Army.

So I say to the Minister for Railways, and to the Minister assisting the Minister for Railways that I am afraid they will need to have much better employer-employee relations than they have at present if they are going to keep the railways going as they should. Let me say to the Minister that I am not too sure he is not taking undue risks in regard to the railways. I hope he is not. But my attention has been drawn to one or two of the activities of the Railways Department in connection with the standard gauge railway.

There is a committee within the railways known as the Signal Site Committee. It is composed of five or six men very well skilled in their respective trades—electrical engineers, locomotive men, and traffic men, etc.

Recently, that committee went along the stretch of standard gauge railway between Bellevue and Northam to select the sites for signals. I believe that invariably when the committee suggested where a signal should be put—at very important locations—it was told not to press the point because the contract had been let 12 months earlier to the firm which was supplying the signalling gear.

I do not know how much of that sort of thing is going on with regard to railway contracts, but to me that does not spell efficiency, particularly when we have been told time and time again in this State that safety is the keynote in the railways today. If practical men, in the interests of safety in the railways, suggest that a certain site is the correct position for a signal, then that should be the site. The committee should not be told that the contract has been let, and the signals are to be put at 10-mile intervals, irrespective. That is not the way to run a safe railway system in Western Australia, or in any other part of Australia.

Mr. O'Connor: Were you told that the signals were to be at 10-mile intervals?

Mr. BRADY: I was told that the intervals of the signals was to be approximately 10 miles. They were not put at the sites which the committee, in the interests of safety and best results from the trains and their crews, decided would be the best positions. I understand that invariably the committee was told, "Don't do that; it will cost extra money. The contract has been let, and we want to get on with the job."

I believe a section of the line will get a semaphore system of signalling, when we already have a very efficient signalling set-up on the eastern goldfields line. That brings me to the point that in *The West Australian* of Tuesday, the 12th November, Mr. Charles K. Edwards of Como, in deploring the lack of public interest in the closing down of the Clackline-Bolgart railway, had the following to say:—

Many thousands of pounds have been spent on a system of electric signalling for safety which will be scrapped. At a time when we are placing so much emphasis on the need for faster movement of transport—

This is going to apply to the standard gauge railway more than to the eastern goldfields line. To continue—

it is proposed to move in a completely opposite direction.

However, if the closure of this railway cannot be prevented the land should be reserved for future outer-suburban electric double-track train services and on no account be made available for a road.

This gentleman went on to make other comments. My point here is that we have a railway line already built with modern signalling, and we are going to have another modern track with, what is in my opinion, second-grade signalling.

As I understand the position, from the railwaymen's point of view it is most imperative that they have up-to-date signalling, because they are going to change from one system which they have had for many years to another system. The old system was on the 3 ft. 6 in. gauge line and now with the 4 ft. 8½ in. gauge, the crews will be operating on a dual system. Unless the men are doubly sure in regard to all the signalling devices, some very serious accidents can occur. There could be loss of life.

Signals play a major part in regard to the railways when the average speed is only 20 or 25 miles an hour. What is going to happen when we are running trains which are allegedly going to travel at speeds of 50, 60, and 70 miles an hour while hauling anything up to 3,000 tons? The average haul in the railways today is about 300 tons.

As I have said before, I am hoping, for the sake of the State and for the sake of the ratepayers and taxpayers, that

the whole venture will be a success. However, I want to point out that the Railways Department might be rushing into a lot of these matters without being fully prepared. I will probably come back later to the standard gauge railway where it affects the overall position.

What I want to do now is to get down to a specific problem in my own electorate of Swan. As I stated when I commenced my speech, we have many problems and I know that some members in the House will say, tonight, that these are very paltry matters for the member for Swan to raise in Parliament.

I fully appreciate that, but in my opinion the residents in my electorate have been dealt with in a very paltry way both by the Railways Commission and by the Minister. I would like to instance a few complaints to illustrate my point. The Midland Municipal Council has co-operated 100 per cent. with the Railways Department in this project, but it is not receiving any co-operation in return.

Mr. O'Connor: To which project are you referring?

Mr. BRADY: I am referring at the moment to the level crossing project at West Midland. For 50 years the ratepayers in this area have been able to use the underway at the West Midland station; they have had a footpath for their use; and they had an area which they could use with safety. The Railways Department is building a level crossing for the standard gauge railway and it is building a road, but it is not providing a footpath. Yet when the local council raises the matter it is ignored. It is six weeks or two months since the council raised the question and still nothing has been done about a footpath, even though the ratepayers have had a footpath in the subway for the last 50 years. That is the paltry way the ratepayers are being treated.

Where the subway has been there will be a new underway for the standard gauge railway. But it is so small that one could not even swing a cat in it. If two young people tried to ride their bikes, or push their bikes, through together there would be chaos. Yet 300 or 400 people will be expected to use this approach to the railways two and three times a day.

When I raised the question of a footpath the Minister's reply, which no doubt was framed by departmental officers, was to the effect that these people could go under the subway. On that particular day there was an overhead spray of water which was keeping the concrete work for the railways wet. At the same time workmen were building a two or three-foot ramp so that the people could get across because the water was interfering with the work on the underway for the new station.

There is one other matter I wish to raise in which even the Minister is involved, because he has taken up the cudgels on behalf of the department and its officers even though he does not know the first thing about it, and he has obviously been wrongly advised. I would point out to the assistant Minister that the people living in West Midland—in Chatham Street, Montreal Road, and Holmesdale Road—had their properties flooded on two occasions last winter. They were flooded out in May and again in August. The people there complain they are losing fences as a consequence of water flooding their properties. They also lose the use of their yards, when they are flooded out, and one person uses his property as a commercial flower garden.

When the flooding subsides the residents of that locality find stagnant water lying around their backyards and as a result they have appealed to the municipal council to lower the valuations on their properties. People do not do that just to embarrass the council or the Minister for Railways; they do it because they have a genuine complaint. A railwayman who lives there lost 20 head of poultry in the early part of August. He came home about 3 o'clock in the morning and found his place flooded. He saved some of his birds but 20 fowls were drowned. He wrote to the Railways Department to obtain redress but he has been told that he has no case, because the water level this year has been no higher than any other year.

The Minister, instead of taking advice from his departmental officers on these matters would be better advised to visit the localities concerned and see for himself just what is going on instead of sending out letters like he has done on occasions. I would like to quote two of the letters which have been written. One letter was dated the 8th October and addressed to Mr. Esparon. It was in regard to a claim for £14. His claim was refused, yet the Government is spending £58,000,000 on this railway project; and contractors are likely to lose £1,000 a day if their contracts are not completed in time—although no doubt most of them are allowed extra time. The letter written to me on the matter, dated the 29th October, reads as follows:—

The Deputy Commissioner has forwarded your letter concerning the flooding of residences at West Midland to me for sight, and I wish to comment as follows for your information.

As you know the question of flooding of properties in this area is one which has received a lot of careful attention and been the subject of previous correspondence.

At the request of the railway department a thorough investigation was recently carried out by Messrs. Maunsell & Partners, Consulting Engineers

to establish whether there is any connection between the construction of the standard gauge railway and the flooding, and their report clearly indicated that there is no evidence to support this theory.

Flooding of the Helena River is a regular occurrence and the flood levels are influenced by a number of factors, such as the level of the Swan River, overflow from Mundaring Weir, wind direction and velocity and the intensity of the rainfall. Examination of records has shown that the maximum flood levels during the winter just past were no higher than those in 1963 and 1964.

The letter written to Mr. Esparon on the 8th October reads as follows:—

In reply to your letter of 5th September, 1965, I have to advise that the matter of flood levels in the area have been fully investigated and records confirm that flood levels in 1963 and 1964 were similar to those reached in 1965.

It is obvious therefore that the flooding of your poultry yard was not the result of the construction of the Standard Gauge Railway and your claim for loss of poultry cannot be accepted.

I could read the other paragraphs but it would take up a good deal of the time that is allowed me on this debate. However, I would point out to the Minister that this flooding is causing people great inconvenience. For many years there has been a seven or eight chain run-off for the flood water in this area and that has enabled the Helena River to take its course until it reaches the Woodbridge crossing. Today that run-off for the Helena River has been reduced to about a chain or 1½ chains and, as a result, whereas the water used to rise gradually over a day, or half a day, now, when the Mundaring Weir overflows, it banks up in a matter of two or three hours. The water, therefore, instead of being able to get away with a seven or eight chain run-off, is held back by the banks of the standard gauge railway, and this results in flooding in half a dozen different places. This is causing a great deal of trouble to the residents concerned.

This flooding is causing fences to be damaged, poultry to be lost, and gardens to be ruined. Yet when a man claims £14 compensation for 20 fowls he is told by the department that the water level has been no higher this year than in previous years. Nothing else is taken into consideration; and, as a result, these people are forced to appeal to the council to have the whole of the area revalued so that their valuations can be reduced.

That is the sort of thing that is happening at West Midland because of the standard gauge railway. Yet the departmental officers smugly come along, look

at the water level somewhere, and say it is just the same this year as it has been for the last 10 years, and wipe the local people off.

From my point of view, and from the point of view of the local taxpayers, that is not good enough; and whilst we know that B.H.P. and its shareholders—and particularly the one in New Zealand—will no doubt, in the ultimate, gain the benefit from this standard gauge railway and, in addition, will no doubt receive an invitation to the opening of that railway, they will not have to put up with the inconveniences with which the local residents have been suffering.

I want the Minister to have a look at the area so that he may be able to do something for the municipal authority and the ratepayers who are having difficulties, and not indulge in so much glamour about the railway which, in the final analysis, cannot be substantiated.

Mr. COURT: Don't you think we have done this already?

Mr. BRADY: Only up to a point. I have instanced to the Minister many of the inconveniences to which the people in that area are subjected; and if he had even the slightest elementary knowledge of the rainfall at Midland he would be writing a sympathetic letter to the man who has submitted a claim of £14 for the poultry he has lost, instead of allowing contractors who have not kept to their schedule to be released from paying the penalty if, and when, there is delay in the work.

Further, I have complained about machines which work all the week and on every Saturday and Sunday, and on all public holidays. They greatly affect the health of those railwaymen who work night shift and who try to obtain some sleep during the day. Apparently they are not to be given any consideration whatsoever. I am now told that, on Sunday week, the work on the standard gauge railway route is to be conducted for 14 hours commencing from 5 a.m. that day so that some of the work in that area can be completed.

If the work was essential, perhaps I could agree with the Minister that these hours are necessary, but he should be more reasonable with the taxpayers in the district who have to suffer the inconvenience of noise, dust, and flooded backyards, and who now find themselves without any footpaths and being subjected to all kinds of inconvenience resulting from the work on this project.

I do not even envy the shareholders of B.H.P., including the one in New Zealand, being paid extra dividends for the next 50 years; I merely want the local residents treated as human beings whilst I am their member of Parliament. So I will continue to voice in this House the protests they

are making. Further, the work on the standard gauge railway has affected many businesses. One man named Stevens told me he had to close his business because all the houses in his vicinity had been vacated or removed because of the standard gauge railway, and he had suffered a loss in income.

These inconveniences are not only causing the local residents a great deal of concern, but they are also causing me much concern, particularly when I cannot make any impression upon the Minister, because he seems to accept the advice of his departmental officers all the time. I cannot think of a more paltry approach than the one that was made to this man who lost over 20 head of poultry valued at £14, when all the Minister needed to have said was that, beyond doubt, there were circumstances associated with the standard gauge railway which made the claim a genuine one.

I also want to complain that there are other people—and this matter has been ventilated in the Press, also—in the vicinity of the Bellevue station who have enjoyed the pleasure of neighbours living alongside them, the facility of an overhead bridge which their children could use when travelling backwards and forwards to school, and the minimum of railway noise; but now the standard gauge railway is to go through within a few yards of where they live, they find their neighbours have gone, the houses which they occupied have been purchased by the Railways Department, and the overhead bridge which used to assure the safety of their children has been removed. What is more, when the Railways Department is asked to purchase their houses they are told that this cannot be done.

One woman residing at No. 4, Bellevue Road, Bellevue is most anxious to quit her home because she realises that the standard gauge railway will go right past her house, that her neighbours have shifted, and that her children are in danger now that the overhead bridge has been removed. She is desirous that the department should take over her house. If the Railways Department thinks the standard gauge railway is such an important project, it should take over this house for use by a railway employee instead of foisting a raw deal on this woman and her children, who are now in danger whilst travelling to school by not being able to use the overhead bridge.

In regard to the West Midland station, I am not happy about the approach of the Railways Department to the residents of my electorate, nor am I happy about the overall position and the way it has been handled by the department. For some two years the West Midland station has been one of the best in the metropolitan area—a station of which one could be proud. It was well lit and had every convenience one could expect. Today one can only compare

it with the black hole of Calcutta, because one can hardly see one's hand in front of one. It is lit with only three or four globes, little better than 40 to 50-watt.

Mr. J. Hegney: And we call that progress.

Mr. BRADY: Yes; that is what we call progress. Further, residents in the West Midland area used to be able to purchase a return fare but now they are denied that concession. I have this complaint from a ratepayer, and it reads as follows:—

Dear Mr. Brady,

I feel that the reconstructed West Midland Station should have more than "bus-type" shelters. If we are to have an island platform, obviously passengers bound for both Perth and Midland will be together; has a count ever been made of the number of passengers using this station at the one time, when the crowds of children from the High School are there?

At present a large area of the platform on the southern side is under shelter, in addition to a completely enclosed Booking Hall. If, in place of this we have an island platform and bus-type shelters, an impossible situation will be created in the extremes of weather and, as usual, the very old and the very young will suffer, because obviously the "shelters" which, in most cases are more ornamental than useful, will be pitifully inadequate to deal with the crowd.

We hear that Western Australia is progressing; I say spare us from any more progress at West Midland if this is the result. For 50 years now, we have had a large, well-conducted, many-services-available-station, but under the "progressive" administration, we are to be reduced to a country siding, with no service and no shelter.

With best wishes,

Yours faithfully,

Robert Coulson.

Mr. J. Hegney: And no toilets.

Mr. BRADY: That is the type of letter I am receiving as member for the district about the lack of facilities at the West Midland station. In the winter, there is no shelter to protect the passengers from the rain; in the summer there is no shelter to protect them from the heat; there are no toilets; there are only bus-type shelters; and passengers have to make the best way they can in crossing backwards and forwards to the station. No practical approach is being made by the department or the Minister to solve these problems.

Another point is that frequently I go home on the 4.30 p.m. or the 5 p.m. train from Perth, and the coaches are crowded all the way to Bayswater. When we get to Success Hill invariably the train pulls

up half a train past the platform and people have to clamber over the permanent way track in order to get on to the platform to make their way out of the station. On one occasion I saw a woman having to do this when she alighted from the coach, and she abused the guard. There is nothing on the Perth station to advise those passengers who wish to alight at an intermediate station to travel in the back coaches so that they can alight on the platform when the train pulls up, nor are there any notices at the intermediate stations. Such is the efficiency of the Railways Department.

A fortnight ago I saw a 10-coach train pull up at the West Midland station, and five of the coaches did not reach the platform when the train stopped. I saw 18 passengers unload themselves and crawl down a 14-ft. embankment. This is the type of efficiency we are getting in the railways. Heaven knows what is going on around the other stations in the metropolitan area, if this sort of thing is happening in my electorate, and I am in a position to come to Parliament and complain.

I think it is about time somebody developed a practical viewpoint to see what can be done to encourage people to use the railways more, rather than to drive them away; because that appears to be the policy operating in the railways today.

Members need not take my word for what is happening; they can see for themselves and discover that what I have referred to is correct. They can make a further check by looking up statistics to see that the commuters on the railways are dropping off by thousands. Quite apart from doing the taxpayers a service, and my electors a service, by making these complaints known, I am also doing the Railways Department a service by drawing attention to the inadequacy of the railways, to help it secure some money to ultimately pay for the £120,000,000 railway concern we are to establish in this State.

In addition to the complaints I have made about flooding, other complaints have been made to me. But here again the practical men on the railways can see no danger. I have been told that if there is a serious accident on either of the level crossings at West Midland or East Guildford there will be no way out for the traffic on the southern side of the line.

People living in the area have suggested that something should be done to establish an alternative to the level crossing, or some way through what is known as Amherst Road to East Guildford in order that the people concerned might not be held up. It is no good anyone saying that accidents do not occur at level crossings, because that is invariably where they do occur. As I have said, if there are any accidents on the level crossing to which I have referred there will be holdups for half a

day or a day at a time. In the interests of the people who might be on the southern side of the railway when these accidents take place I would like to see something done to alleviate the difficulty.

In addition to my complaints about flooding, about noise, about dust, and about badly-lit stations, I have also received complaints that the driving of piles at the West Midland bridge has had the effect of cracking some walls in the residential area. People have taken me into their residences and shown me the cracks that have occurred in the walls of their homes.

The CHAIRMAN (Mr. W. A. Manning): The honourable member has another five minutes.

Mr. BRADY: I will not say that these cracks are as bad as those that appeared in the walls of the houses at Toodyay, but I do notice that one lady has shifted out of her house, and now there is a "condemned" notice on that residence. Apparently the walls cracked to such an extent that it has been necessary to place a "condemned" notice on the house.

Another old lady who drew my attention to the cracking of the walls in her residence told me that an officer had called on her, and she was told that they were going to see what could be done later on. Incidentally, this old lady told me last year that timber was stacked in the front of her house near the narrow gauge bank, and she was afraid of a fire starting, because she had no-one in the house to protect her in the event of such a fire.

I wrote to the department of the lady's fears, and the department said the matter would be looked into. I suggested that the timber be removed; but, lo and behold, on a hot summer day one of the contractors set the timber on fire, and it burnt for a week after! Here we had a fire right alongside the residence of an old lady who was a pioneer of the district, even though she had asked for the fire not to be lighted. Such is the approach of the American-named companies and others to these old people and their fears. I hope the Minister will have a look at that matter.

I noticed in *The West Australian* of the 10th August that a fear was expressed that railway charges might rise soon. It occurs to me that if the costs of the standard gauge railway are to continue to increase at the rate they have done apparently since 1961, the primary producers will have to pay extra freights, quite apart from the road maintenance money.

My last remark will be that I hope the Minister for Railways can see his way clear in the future to try to bring the annual report into the House at least at about the same time as the Auditor-General's report, to enable us to get up-to-date information. Any figures that I have now have had to

be taken from the commissioner's annual report of 1964. I would point out to the Minister that road transport organisations are providing five and six pamphlets a year, as well as a most comprehensive document dealing with all forms of road transport throughout Australia from time to time.

One of these, strangely enough, has been collated and built-up by Mr. G. H. Yates, who is apparently secretary of the International Automobile Transport Association, which had a conference recently in this State. This annual report of the long distance transport association is about twice the size of, and contains about three times the information in, the report of the Commissioner of Railways. Now that we have £120,000,000 likely to be tied up in the railways I would like to see us given twice the information that we are now getting in the report of the Commissioner of Railways.

If the Minister wants a clue as to what is being done, I suggest he look up the reports of the Commissioners of Railways in South Australia, Victoria, New South Wales, and Queensland. They are much more illuminating, and much brighter, and give a much greater coverage of information than does our report.

The road transport document to which I refer deals with motor transport, the financial report of the Commissioner of Railways, and the Departments of Railways in New South Wales and Western Australia; it also deals with shipping, transport, the stevedoring industry, the oil industry, motor vehicles, consumption of motor spirits, the Australian air service, freight traffic, and similar matters.

If Mr. G. H. Yates, the secretary of this association, can put out a publication of this nature, I am quite sure that the Commissioner of Railways and his officers can do equally well for the railways in Western Australia. With the money that is involved in railway activities in this State, I feel we should have such information available to us, and I hope that full reports will be made in regard to fluctuations in personnel, and in connection with every other aspect.

I know the Minister for Railways claims that he has saved some millions of pounds in the operation of the Railways Department, but I know also that 1,000 employees have left the railways. If we work that out at £20 per week, it will constitute a saving of over £1,000,000 in wages. It would appear that now the department cannot get sufficient employees to carry on the services.

The CHAIRMAN (Mr. W. A. Manning): Order! The honourable member's time has expired.

#### *Progress*

Progress reported and leave given to sit again, on motion by Mr. I. W. Manning.

### **METROPOLITAN REGION TOWN PLANNING SCHEME ACT AMENDMENT BILL (No. 2)**

#### *Introduction and First Reading*

Bill introduced, on motion by Mr. Lewis (Minister for Education) and read a first time.

### **COAL MINE WORKERS (PENSIONS) ACT AMENDMENT BILL (No. 2)**

#### *Second Reading*

MR. BOVELL (Vasse—Minister for Lands) [5.21 p.m.]: I move—

That the Bill be now read a second time.

This Bill has been passed in another place and is on the file. I have given a copy of my introductory notes to the Leader of the Opposition, who has been dealing with matters affecting Collie during the absence of the member for Collie.

Certain concessions were granted to displaced workers on the Collie coalfields following upon retrenchments in the coal mining industry in 1960, which took place as a consequence of the closure of Amalgamated Collieries Ltd. One of these concessions provided for a refund of contributions to workers, who could not be re-employed in the industry before the 28th July, 1961.

It transpired that the number of men required for the industry was greater than at first anticipated, and members will likely recall recent legislation amending the pensions Act to permit repayment into the fund of the amount received as a refund of contributions in 1961, thus procuring re-entitlement to retirement pension benefits under certain conditions for some re-employed miners.

One of the conditions stipulated was that a miner would require to have paid contributions to the pension fund for an aggregate period of 25 years. This requirement was made because of actuarial advice to the effect that every miner should pay contributions for 25 years in order that the fund would be in a strong enough financial position to meet commitments for future pension benefits.

Acting on this advice, the 1948 amendment to the parent Act provided that any worker who was first employed or re-employed in the coalmining industry after the 7th January, 1949, would not be eligible for age 60 retirement benefits if he were at that date over the age of 35 years.

Those already in the industry prior to the 7th January, 1949, retained their eligibility for retirement benefits regardless of the 1948 amending Act and some of these men, who were retrenched in 1960, will reach the retirement age of 60 prior to being able to complete 25 years'

contributions. The fund has been operating since July, 1944, and any member attaining the age of 60 before July, 1969, would be unable to fulfil the 25-year period previously mentioned.

Because of the unavoidable retrenchments in 1960, some were over the age of 35 years when they were re-employed a few months later and, except for their retrenchment, would have qualified for benefits.

The purpose of this Bill is to remedy this state of affairs by providing that any person in the industry prior to the 7th January, 1949—whose employment in the industry was continuous except for the brief 1960 retrenchment period, and whose contribution period was unbroken except for that period—will qualify for benefits regardless of the normal 25-year contribution requirement.

Another amendment contained in this measure has to do with the amount a retired worker or his dependants may earn from employment after retirement. The present earning rate stipulated in the Act is an average of £5 per week. This rate was in conformity with the allowable earnings of a married couple under the Commonwealth means test in 1955 but, as the rate for a married couple is now £7 per week under the means test, the unions at Collie have requested that the allowable rate of earnings under the coalminers' pensions Act be brought into line. The amendment contained in clause 2 of the Bill lifts this figure of £5 to £7 accordingly.

Debate adjourned, on motion by Mr. Norton.

## ADJOURNMENT OF THE HOUSE: SPECIAL

MR. NALDER (Katanning—Deputy Premier) [5.26 p.m.]: I move—

That the House at its rising adjourn until 2.15 p.m. on Tuesday, the 23rd November.

Question put and passed.

*House adjourned at 5.27 p.m.*

# Legislative Council

Tuesday, the 23rd November, 1965

## CONTENTS

	Page
ADJOURNMENT OF THE HOUSE: SPECIAL	2739
ASSENT TO BILLS	2695
BILLS—	
Artificial Breeding Board Bill—	
Receipt ; 1r.	2696
2r.	2696
Artificial Breeding of Stock Bill—	
Receipt ; 1r.	2695
2r.	2695
Betting Investment Tax Act Amendment Bill—Assent	2695

<b>BILLS—continued</b>	<b>Page</b>
Caves House Disposal Bill—	
Receipt ; 1r.	2699
2r.	2699
City of Perth Parking Facilities Act Amendment Bill—	
Receipt ; 1r.	2696
2r.	2696
Education Act Amendment Bill (No. 2)—Assent	2695
Justices Act Amendment Bill—	
Intro. ; 1r.	2704
2r.	2704
Land Act Amendment Bill (No. 2)—Assent	2695
Land Tax Assessment Act Amendment Bill—	
2r.	2726
Com.	2724
Licensing Act Amendment Bill (No. 3)—	
2r.	2722
Com.	2725
Report	2726
3r.	2726
Local Government Act Amendment Bill (No. 3)—Assent	2695
Local Government Act Amendment Bill (No. 4)—	
Intro. ; 1r.	2714
2r.	2714
Com. ; Report ; 3r.	2714
Optometrists Act Amendment Bill—	
Report ; 3r.	2705
Parliamentary Buildings Site Reserve Bill—	
Receipt ; 1r.	2702
2r.	2702
Public Works Act Amendment Bill—Assent	2695
Reserves Bill—	
Receipt ; 1r.	2700
2r.	2700
Road Closure Bill—	
Receipt ; 1r.	2698
2r.	2698
State Tender Board Act Amendment Bill—	
Receipt ; 1r.	2703
2r.	2703
Statute Law Revision Bill—Assent	2695
Statute Law Revision Bill (No. 2)—Assent	2695
Strata Titles Bill—	
2r.	2705
Order Discharged	2714
Tourist Act Amendment Bill—	
Receipt ; 1r.	2722
Traffic Act Amendment Bill (No. 2)—Assent	2695
Traffic Act Amendment Bill (No. 4)—2r.	2715
Weights and Measures Act Amendment Bill—Assent	2695
Workers' Compensation Act Amendment—Assent	2695
Wundowie Charcoal Iron and Steel Industry Agreement Bill—	
Receipt ; 1r.	2714
2r.	2735

## QUESTION WITHOUT NOTICE—

Sittings of the House : Hours for Closing	
Days of Session	2695

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 4.30 p.m., and read prayers.