the public, and there is a grave possibility that we will end up with one airline again. I do not think that would be a good thing.

It is well known that restrictive trade practices are engaged in by large corporations in order to secure for themselves the whole of the trade or business through such devices as price-cutting or running at a loss for a few years in order to force a competitor out of business. The corporation then has the whole of the market and can do as it pleases. These practices are recognised in restrictive trade legislation. Price-cutting can lead to monopoly. This is not a matter which needs a great deal of argument but it is one of which I believe we are losing sight.

If in this case price-cutting were to result in a monopoly airline in Western Australia—be it TAA or any other company—with one airline forcing the other out through various devices, would we be any better off? I suppose those who believe in the ideological argument would say we would be better off because we would have a Government airline instead of a private airline. I do not believe that is progress. The public will not get the best deal unless they and we, as the legislators responsible for deciding this matter, are properly and adequately informed. I do not believe we have been so informed up to this stage, and until such time as we are so informed I am not at all satisfied with this Bill.

Debate adjourned, on motion by The Hon. D. J. Wordsworth.

MEMBERS OF PARLIAMENT

Dress in the Chamber: Statement by President

THE PRESIDENT (The Hon. L. C. Diver): Honourable members, early in today's proceedings I gave an indication that, because of the temperature, members who so desired could remove their coats. I would like to say that, in future, unless members are dressed in accordance with what is recognised as acceptable on a bowling green in any part of Australia, I will not invite them to remove their coats.

House adjourned at 10.36 p.m.

Legislative Assembly

Tuesday, the 27th November, 1973

The SPEAKER (Mr. Norton) took the Chair at 4.30 p.m., and read prayers.

BILLS (3): INTRODUCTION AND FIRST READING

1. Criminal Code Amendment Bill.

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

2. Rural Reconstruction Scheme Act Amendment Bill.

   Bill introduced, on motion by Mr. H. D. Evans (Minister for Agriculture), and read a first time.

3. Rivers and Estuaries (Conservation and Management) Bill.

   Bill introduced, on motion by Mr. Davies (Minister for Environmental Protection), and read a first time.

PUBLIC ACCOUNTS COMMITTEE

Report: Receipt and Printing

On motions by Mr. Lapham (Karrinyup) resolved: That the eighth report of the Public Accounts Committee be received and printed.

(See paper No. 503).

FUEL SUPPLIES

Position in Western Australia: Ministerial Statement

MR. MAY (Clontarf—Minister for Fuel) [4.36 p.m.]: I seek leave to make a ministerial statement regarding the fuel situation.

The SPEAKER: Is leave granted? There being no dissentient voice, leave is granted.

Mr. MAY: It is proper that members should be informed concerning action now under way to deal with any possible fuel supply emergency in Western Australia.

At the same time, I emphasise that this is purely a precautionary measure dictated by the possibilities inherent in the situation.

There is at present no indication of any emergency situation arising in Western Australia, and for the present, none is expected.

The Government has taken two principal steps to anticipate any threat to normal supplies of fuel.

In the first instance, the Fuel and Power Commission and the Fuel and Power Advisory Council have established the closest possible liaison with the oil industry regarding oil shipments, and the refining and stocks of petroleum products.

Through this contact, the Government will be informed immediately of any adverse trend in the supply position.

In the second instance, an "Emergency Fuel Supplies Committee" has been set up to carry out the basic technical, economic, and social assessments needed to deal with this complicated problem.

Mr. L. F. Ogden, Manager of the BP Refinery at Kwinana, has been co-opted to the Fuel and Power Advisory Council as Chairman of the Emergency Fuel Supplies Committee.

The committee membership is as follows—

Chairman—Mr. L. F. Ogden, BP Refinery, Kwinana.

Mr. M. Shean, Power Production Engineer, State Electricity Commission.

Mr. D. Piggford, Managing Director, Wesfarmers Kleenheat Gas.

Mr. P. Kemp, Stores and Supplies Controller, W.A. Government Railways (actg.)

Mr. L. A. A. Butler, Civil Defence and Emergency Service.

Mr. E. Freeman, Solicitor, Crown Law Department.

Mr. D. W. Saunders, Executive Officer, Fuel and Power Commission.

Oil Industry Marketing Expert (still to be appointed).

The committee first met on the 25th October, 1973. It met again on the 30th October, 1973. The next meeting is scheduled for the 4th December, 1973.

To hold large emergency stocks of fuel is enormously expensive. It should not be undertaken unless it is absolutely necessary in the public interest. Such emergency buffer stocks are held in overseas countries, particularly in Europe. Their extent depends upon the vulnerability of the country concerned.

The Government's Emergency Fuel Supplies Committee is preparing a list of existing fuel storage facilities in Western Australia, and will gauge the level of reserve which these present stocks afford.

The normal demand in particular economic sectors will be assessed, and a study will be made of the scope of interchanging fuels in selected cases.

Attention will focus on the Kwinana Refinery—the normal stock level held there; on the usual range and quantities of products refined; and on the types and quantities of refined products imported and exported both interstate and overseas.

On that data, the committee will base recommendations as to whether, and to what extent, buffer stocks might be considered necessary in Western Australia.

It will provide cost estimates for the tankage facilities needed, and for the fuel supplies themselves.

Apart from the foregoing, the committee will concern itself with specific actions in the case of a fuel emergency. It will assess user priorities, which will require a list of consumer categories and individual fuel uses. In every case, the criterion for assessing priority will be the public interest.

The assessment will be made only after evaluating the economic and social impact of withholding fuel from any particular class of user.

The committee, in close co-operation with the petroleum industry, will devise a practicable rationing system.

It should be remembered that, should rationing become necessary, the proper functioning of any such system would be the responsibility, principally, of the employees of major oil companies.

A Crown Law Department opinion received recently suggests that no legislation exists permitting the State to enforce fuel rationing.

The committee is examining legislative requirements, and will suggest the basic elements of a suitable Bill for consideration.

I believe we should aim to prepare effective legislation for immediate introduction into Parliament in the case of emergency.

It is necessary to ensure that Western Australian planning is compatible with that on a national level.

To that end, the Emergency Fuel Supplies Committee will ascertain what action is contemplated by the Australian Government, and by the oil companies, to deal with any national emergency.

The petroleum industry itself has anticipated the possible need for a contingency plan to deal with a fuel supply emergency.

A co-operative intercompany committee, representing every company in the State, has been formed along lines already successful in dealing swiftly with oil spills.

Close liaison by Mr. Ogden with this petroleum industry committee will ensure proper co-ordination between the Government committee and the petroleum industry.

Certain preliminary findings are now beginning to emerge from information assembled by the Government's Emergency Fuel Supply Committee.

It is too early, yet, to traverse these in detail. Nevertheless, the implications of the situation in the Middle East, as they affect our oil supplies, are potentially grave.

I consider it important that the Parliament and the people of Western Australia should be kept fully informed of the Government's measures to deal with any deterioration of that situation.

I have presented this report to Parliament to give it the assurance that the Government is fully aware that formulation of a fuel emergency contingency plan is of the utmost urgency.

Mr. Nalder: You acted only after the Leader of the Country Party asked a question on the matter.

Mr. MAY: Western Australia was the first in the Commonwealth to establish such a committee.

Mr. McPharlin: That is a better answer than the Premier gave last week.

Mr. MAY: At the same time, I must reiterate, quite emphatically, that at this time there is still no indication that any emergency situation is imminent in Western Australia.

HANSARD

Availability

THE SPEAKER (Mr. Norton): I wish to advise the House that, due to unforeseen circumstances, *Hansard* will not be available until tomorrow.

QUESTIONS (24): ON NOTICE

1. POLICE

Allegations: Government Policy

Mr. MENSAROS, to the Premier:

Referring to his reply to question 8 on 21st November, 1973, would he please make inquiries as foreshadowed upon the report which appeared in the *Weekend News* on 17th November, 1973?

Mr. J. T. TONKIN replied:

In my reply on 21st November, I invited the Member to "cite instances", upon receipt of which appropriate action would be taken. This undertaking still stands. The Member should supply the name of the politician referred to, upon receipt of which that Member will be advised as to the proper course to take.

2. ENVIRONMENTAL PROTECTION

Coastal Areas: Controlling Authority

Mr. MENSAROS, to the Minister for Environmental Protection:

(1) Could he please say which individuals, associations, municipalities or other bodies were consulted before the drafting of the Bill—reported to be introduced—to establish a conservation and management authority to control coastal areas?

(2) In particular, has the National Trust of Australia (W.A.) been consulted and has its publication dealing with the multiple use of national parks been taken into consideration?

Mr. DAVIES replied:

(1) It is presumed the matter referred to is the proposed Bill dealing with the establishment of an Estuarine Conservation and Management Authority to take day to day control of the waterways of the Swan, Peel and Leschenault and not of coastal areas. As such, groups consulted include the Harbour and Rivers Branch of the Public Works Department, the Public Health Department, Fisheries and Fauna Department, Harbour and Light Department, Department of Agriculture, Town Planning Department, Crown Law Department, National Parks Board, Local Government Association, Government Chemical Laboratories, Lands Department, Metropolitan Water Supply Sewerage and Drainage Board, and of course the Swan River Conservation Board with its own wide ranging representation.

(2) The National Trust of Australia (WA) has not been directly consulted. I believe that the Member is referring to the publication by the National Trust of the report entitled "The Peel-Preston Lakelands", February 1973. If this is the case then I can assure him that the publication has been taken into consideration.

3. LAND SPECULATION CONTROL

Complementary Legislation

Mr. MENSAROS, to the Minister for Town Planning:

(1) Are the Land Control, Land Commission and Salvado Bills complementary legislation to the Bill which, as reported in the *Daily News* of 21st November, 1973, the Federal Minister for Housing introduced to cut "excessive profits in land speculation"?

(2) If not, is he going to introduce complementary legislation during this session?

Mr. DAVIES replied:

(1) I do not have copies of the Federal legislation and cannot therefore comment from first-hand knowledge. The Press report indicates that the legislation is designed to provide funds for land commission programmes and to that extent it could be said that the Federal legislation is complementary to this State's Land Commission Bill and to any similar legislation of the other States.

(2) No.

4. NATURAL GAS

Metropolitan Supply: Toxicity

Mr. MENSAROS, to the Minister for Electricity:

How can he reconcile his reply to question 2 on 20th November, 1973, stating that natural gas is not toxic with the result of a recent inquest when the cause of a man's death was established by the city coroner as carbon monoxide poisoning due to gas leaking from a hot water system?

Mr. MAY replied:

The previous question specifically asked whether natural gas had a toxic effect without being ignited. The answer given was that it had no toxic effect.

The context of today's question refers to the products of combustion and not to natural gas.

5. PLUMBERS

Licensing System

Mr. HUTCHINSON, to the Minister for Works:

(1) Has a formal change been made from the system of licensing plumbers after a five-year period of apprenticeship and following the passing of relevant examinations?

(2) If so, when was the change made and will he describe the change?

(3) Were master plumbers, apprentices and the public fully informed of the change?

(4) Is it a fact that at least one five-year apprentice who has just completed his examination is now expected to pass others in order to register and be licensed?

(5) If so, could not registration supervisors have been used or some other system to obviate a double examination system?

(6) Could there not have been a much longer warning period for the changeover?

(7) Will he have the whole matter thoroughly investigated with a view to overcoming the extreme concern felt by craftsmen in a vital industry?

Mr. JAMIESON replied:

(1) No change has occurred in the system of licensing plumbers which is a Metropolitan Water Board responsibility.

(2) and (3) Not applicable.

(4) Any apprentice who has completed and passed the arbitration commission's examination can be registered as a journeyman plumber. A further examination is required to become a licensed plumber.

(5) The examinations for Certificates of Competency are a pre-requisite to being licensed by the Metropolitan Water Board, and are set at a level to grant reciprocity of licensing by the other capital cities of Australia and by New Zealand. Some apprentices do not wish to study for their Certificates of Competency.

(6) The Metropolitan Water Board is not involved in any change.

(7) "Extreme concern" on this matter has not been conveyed to the Metropolitan Water Board.

6. MEDICAL DEPARTMENT

Purchasing Office: Metropolitan Markets

Sir CHARLES COURT, to the Premier:

(1) Is the Medical Department vacating its location at the metropolitan markets?

(2) If so—

(a) when;

(b) where is it to relocate;

(c) will the change in location reduce the proportion of its requirements for fruit and vegetables to be acquired from the markets and in particular will it increase the proportion of direct buying;

(d) what are the conditions under which the Medical Department is relinquishing its markets site including—

(i) cost of re-establishment in a new location and who will pay the cost;

(ii) payments to the department or its nominee for surrender of its present markets tenancy;

(e) who initiated the change in Medical Department markets location and who made the decision about the transfer;

(f) who acquired the Medical Department space and on what conditions?

Mr. J. T. TONKIN replied:

(1) Yes.

(2) (a) and (b) The change will occur when modifications and renovations to the building known as "Etherington Traders" at 174 Roe Street, Perth, are completed.

(c) No substantial change is expected.

(d) The Medical Department will pay a rental for 174 Roe Street of $5,800 per annum to the Main Roads Department for a lease of 5 years with 12-monthly extensions thereafter.

(i) Re-location costs estimated at $11,500 will be paid by the Public Works Department.

(ii) No payment will be made to the Medical Department, which has a weekly tenancy.

(e) The Metropolitan Market Trust approached the Minister for Lands following repeated requests from the United Fruit and Vegetable Growers Co-operative Ltd. for additional selling space. The Treasurer made the decision.

(f) The space will be made available to the United Fruit and Vegetable Growers Co-operative Ltd. on conditions to be determined by the Metropolitan Market Trust.

7. MEDICAL PRACTTITIONERS

Absence in Ethiopia: Locum Tenens

Dr. DADOUR, to the Minister for Health:

In order to assure the success of the very worthwhile venture of medical aid to Ethiopia, has his department approached the medical superintendents of the teaching hospitals to provide doctors to act as *locum tenens* for general practitioners wishing to participate, as one of the general practitioners desirous of going to Ethiopia is experiencing great difficulty in obtaining a relieving doctor?

Mr. DAVIES replied:

Dr. R. Warner of the G.P. Society asked if I had any objection to the promoters of the appeal approaching the teaching hospitals on this matter. I said I was happy to give my permission and support to such an approach.

8. DRIVERS' LICENSES

Trucks: Reduction of Age Limit

Mr. BROWN, to the Minister for Traffic Safety:

(1) Will he take action to reduce the age limit from 20 years to 18 years for vehicle drivers' licenses for motor trucks?

(2) (a) If "Yes" when is approval expected to be given, and what driving tests are proposed by his department particularly in relation to wheat trucks;

(b) if "No" why not?

Mr. JAMIESON replied:

(1) and (2) I have already approved a reduction of the minimum age limit to 18 years and amending regulations in this regard are now being drafted and should be promulgated in the near future. To qualify for such a license, applicants will be required to pass the normal tests for a "B" class license.

9. ROADS

Armadale Corridor: Programmes

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

(1) Will he please indicate the updating programmes to be implemented within the south-east corridor to Armadale for the major road system and the south-western railway on 10 yearly rests to 1980, 1990, 2000?

(2) Will he advise the estimated population of the local authorities of Armadale-Kelmscott, Gosnells and Canning for the years 1980, 1990 and 2000 on which the planning for (1) is based?

Mr. JAMIESON replied:

(1) The construction of main roads is largely dependent upon the availability of Commonwealth funds which is unknown after June, 1974. Thus, the Minister for Transport is unable to nominate a programme for the major road system which might be implemented in 10-yearly rests up to the year 2000.

The Government proposes to electrify the whole suburban railway system and provide major park-and-ride and bus/rail interchange facilities at selected stations. This project will not be started until, at least, the central city railway study and Professor Stephenson's central area study are completed in 1974, and decisions have been made as to the level and location of the railway through Perth. Obviously, the type of electrification finally employed and rolling stock dimensions will be influenced by that decision.

If, as is expected, the Australian Government, agrees to provide two-thirds of the cost of this work under its urban public transport improvement programme, it should be substantially completed by 1981.

(2) Planning in the south-east corridor to Armadale is based upon estimates of population for 1979 and 1989 as follows:

Armadale-Kelmscott—
1979—17,700
1989—27,500

Gosnells—
1979—37,000
1989—55,000

Canning—
1979—59,500
1989—79,700

10. TOWN PLANNING

Corridor Plan: Highways and Railways

Mr. RUSHTON, to the Minister for Town Planning:

Now that the corridor plan has been accepted and approved by the Government will he table a plan showing the projected major highways and rail routes within the metropolitan region to the years 1980 and 2000?

Mr. DAVIES replied:

The Metropolitan Region Scheme, 1963, as amended, in conjunction with the M.R.P.A. publication "The Corridor Plan for Perth" and the "Perth Regional Transport Study 1970" indicate in principle the recommended major highway and rail routes within the metropolitan region to the year 1989.

Further consideration will be given to rail routes when the conclusions of the recently commissioned Perth underground railway study are available early next year.

11. TOWN PLANNING

Karrawarra Housing Project

Mr. RUSHTON, to the Minister for Town Planning:

(1) Have all conditions for development of the Karrawarra State Housing high density housing project at Manning now been met?

(2) On what date was the approval to proceed with the development given?

(3) What town planning and local authority conditions are yet to be met?

(4) Are any other projects of such high population density at present being contemplated and, if so, will he identify them?

(5) Does the department oppose further developments similar to Karrawarra?

Mr. DAVIES replied:

(1) No.

(2) Preliminary approval to the subdivision was granted on 27th March, 1973. It is understood that South Perth City Council has not yet approved development.

(3) Drainage, pedestrian underpasses, footway type and specification, and parking provision for medium density development. In respect of stage 1, these outstanding matters should be resolved shortly.

(4) I am unable to comment on matters being contemplated and therefore not before me or any statutory body for consideration.

(5) The department has no objection to the principle of the Karrawarra development but each proposal must be considered on its merits.

12. GARDEN ISLAND

Military Installations, and Public Use

Mr. RUSHTON, to the Premier:

(1) What negotiations have taken place with the Commonwealth Government or departments for the resiting of military facilities from Rottnest Island to Garden Island?

(2) Will he please explain in which way the agreements and negotiations for the State and public to use Garden Island are to be amended or cancelled due to the proposed resiting?

(3) What progress has been made in finalising the State's proposals for Garden Island?

(4) What State Government and public facilities are now to be provided for on Garden Island?

Mr. J. T. TONKIN replied:

(1) Correspondence is continuing between the State Government, the Department of the Prime Minister and the Department of Defence. No definite replies have yet been received.

(2) Answered by (1).

(3) The preparation of a management plan, currently being undertaken by an *ad hoc* working group of State officers, is being delayed by legal matters affecting the transfer of control from the appropriate areas of the Island from the Australian Government to the State Government.

(4) The proposed facilities remain as originally intended, i.e. an explosives depot for the Mines Department, and normal facilities for use by day visitors to the Island.

13. BULLSBROOK HIGH SCHOOL

Enrolments

Mr. MOILER, to the Minister representing the Minister for Education:

(1) How many students are at present enrolled in—

(a) first-year;

(b) second-year;

(c) third-year,

high school grades at the Bullsbrook Junior High School?

(2) What is the estimated number of third-year students who propose to continue into fourth and fifth-year studies?

Mr. T. D. EVANS replied:

(1) Enrolments as at 1st August 1973:

(a) 50

(b) 59

(c) 41

(2) 21 (including 3 who have indicated they will attend private schools in 1974).

14. PROBATE DUTY

Exempted Settlements

Mr. A. A. LEWIS, to the Attorney-General:

Would he give a list of the organisations that have been deemed—

(a) acceptable;

(b) not acceptable,

under the provisions of the Administration Act, section 134?

Mr. T. D. EVANS replied:

(a) I table a list of organisations to which section 134 has been applied. This is not exhaustive, as the list has not been maintained over the whole of the period during which section 134 has been in operation and others may qualify under the existing law in the future.

(b) No detailed records have been kept of those rejected as not coming within the scope of the existing section 134, but as explained, unincorporated bodies, funds, trusts and bodies for charitable objects established outside the State and certain bequests to local authorities are examples of non-qualifying organisations.

The list was tabled (see paper No. 519).

15. RECREATION

Ministry: Buildings and Staff

Sir DAVID BRAND, to the Minister for Recreation:

(1) What is the total sum spent on buildings erected by the Ministry of Recreation since its establishment?

(2) What were the buildings and for what purpose are they used?

(3) What number of people are employed by his Ministry?

Mr. T. D. EVANS replied:

(1) Nil.

(2) Not applicable.

(3) Twenty-six.

16. WATER SUPPLIES

Greenough Electorate

Sir DAVID BRAND, to the Minister for Water Supplies:

(1) When will water be available to the towns of Carnamah and Coorow from the new bores at Winchester?

(2) Does he consider there is sufficient water available from Arrino bores to allow for an extension of the service to farming areas not yet connected?

(3) Has the source of water for the Geraldton town supply proved to be sufficient to meet anticipated growth demands for the next 20 years?

Mr. JAMIESON replied:

(1) (a) Carnamah—Water was made available on 23rd November, 1973.

(b) Coorow—December 1974, subject to availability of loan funds.

(2) The existing bores are only capable of servicing the existing consumers but the source is capable of further development.

(3) No, but investigations are in course for additional sources to the south-east of Allanooka.

17. IRON ORE

Tallering Deposit: Development

Sir DAVID BRAND, to the Minister for Mines:

(1) Has he or his department any knowledge of intention to develop the Tallering deposit at Mullewa?

(2) How much longer will Western Mining activity continue at Morawa?

Mr. MAY replied:

(1) The department has been informed that the feasibility of mining iron ore from the Tallering Peak deposit is the subject of a current study expected to be completed this year.

(2) The Western Mining Corporation contract to supply iron ore from deposits near Morawa expires in 1974. At present there are no firm proposals to extend the Western Mining Corporation iron ore mining operations near Morawa beyond 1974.

18. FRIENDLY SOCIETIES PHARMACIES

Accumulated Funds

Mr. HUTCHINSON, to the Minister for Health:

(1) What were the accumulated funds as at the end of June, 1972, of—

(a) the Perth group of friendly society dispensaries;

(b) the Fremantle group of friendly society dispensaries;

(c) the Victoria Park friendly society dispensaries?

(2) What were the accumulated funds of (a), (b) and (c) as at the end of June, 1973?

(3) What were the gross sales of (a), (b) and (c) for each of these two years?

Mr. DAVIES replied:

(1) (a) $742,042
(b) $242,913
(c) $51,183

(2) (a) $788,525
(b) $260,451
(c) $58,596

(3) 1972:
(a) $1,176,867
(b) $847,896
(c) $125,756

1973:
(a) $1,342,975
(b) $1,013,811
(c) $149,018

19. RAILWAYS

Armadale-Perth Service: Overcrowding

Mr. BATEMAN, to the Minister representing the Minister for Railways:

(1) In view of the changed working hours for public servants, does the Minister realise that this has created great overcrowding on trains from Armadale to Perth?

(2) Will the Minister have an investigation made and provide extra accommodation on the trains to relieve the situation?

Mr. MAY replied:

(1) and (2) The changed hours for public servants have not greatly affected patronage on the Armadale-City section. However, patronage on this section has increased generally and in October last, alterations were made to better meet the demand. It is expected that following a current re-examination, further amendment may be introduced in approximately two weeks' time.

20. TRAFFIC ACCIDENTS

Kwinana Freeway: Light Standards

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

How many accidents have been reported involving motor vehicles and electric light standards on the Kwinana Freeway in the near vicinity of Canning Bridge for each of the past five years?

Mr. JAMIESON replied:

Year	No.
1969	3
1970	1
1971	2
1972	3
1973	3

21. TRAFFIC ACCIDENTS

Kwinana Freeway: Light Standards

Mr. NALDER, to the Minister for Electricity:

How many electric light standards have been knocked over or damaged by motor vehicles on the Kwinana Freeway within 400 yards approximately of Canning Bridge for each of the past five years?

Mr. MAY replied:

1968—2

1969—1

1970—1

1971—4

1972—3

1973—8

22. CONNELL AVENUE SCHOOL

Sports Ground and Improvements

Mr. RUSHTON, to the Minister representing the Minister for Education:

(1) Referring to my question 31 on 11th October as to development and improvements of Connell Avenue primary school (Kelmscott) grounds and recreational oval, will he please give me the details of the estimated $28,000 cost for the basic development of the school oval?

(2) As this school's grounds are still only partially landscaped and planted, why is this usual facility for a cluster school being so delayed?

(3) When will the landscaping and planting be completed for stage one?

Mr. T. D. EVANS replied:

(1) The site of the proposed oval at Connell Avenue primary school is swampy and the estimated cost allows for extensive sub-soil drainage system, filling and levelling.

(2) Landscaping of the first half cluster is complete. The further landscaping to the second half cluster cannot be carried out until the comprehensive grounds drainage contract has been completed.

(3) Answered by (2).

Tenders for the drainage have been recalled and close on the 4th December, 1973. Landscaping in the form of tree and shrub planting will be possible upon completion of this contract early in March.

The lawn planting will be deferred until the spring growing season 1974.

23. HARVEST ROAD, NORTH FREMANTLE

Closure

Mr. HUTCHINSON, to the Minister for Works:

Following the deputation he received from North Fremantle people regarding the partial closure of Harvest Road and other streets with relevant resultant problems, will he advise whether his department has been able to provide solutions for—

(a) leaving Harvest Road open to both Bruce Street and Stirling Highway;

(b) providing a safe crossing for pedestrians to the shopping centre;

(c) a rationalisation of traffic using Thompson Road;

(d) providing a safer traffic situation at Alfred Road particularly for vehicles turning right when entering or leaving Stirling Highway?

Mr. JAMIESON replied:

The Main Roads Department advises that—

(a) After a detailed review of all the factors including the points made at the recent deputation, the department is unable to recommend the opening of the western section of the Harvest Road-Bruce Street intersection. The design will be amended, however, to provide a left turn from Bruce Street into Stirling Highway to allow improved traffic circulation.

(b) The dual carriageway in Bruce Street will provide reasonably safe pedestrian movement.

(c) The department will not object to Hevron and White Streets remaining open which will provide an alternative to traffic using Thompson Road.

(d) Records do not show Alfred Road junction to be hazardous but the intersection will be kept under observation.

24. SWAN AND CANNING RIVERS

Dredging and Reclamation Projects

Mr. HUTCHINSON, to the Minister for Works:

(1) Will he describe with relevant detail the dredging and reclamation projects which have been completed and which are continuing in the Swan and Canning Rivers since his Government assumed office?

(2) In particular, will he describe the progress to date and the future planning of the project entered into by the former Government in relation to the Maylands peninsular where the original plan was to create some 30-40 acres of new water space?

(3) Will he announce any dredging or reclamation projects which are planned for this financial year and the next?

Mr. JAMIESON replied:

(1) Dredging and reclamation projects undertaken since January 1971—

(a) 27/1/71—completion of Maylands peninsular—stage 1.

(b) 16/3/71-24/6/71—dredging at Barrack Street jetties for the No. 5 jetty and Harbour and Light jetty.

(c) 1/7/71-10/9/71 and 2/12/71-15/12/71—Preston Point channel and reclamation.

(d) 19/1/72-24/2/72—channel for launching ramp at Point Walter.

(e) 26/2/72-3/3/72—beach renourishment Como jetty area.

(f) 30/4/72-16/10/72—commence-of stage 2 Maylands peninsular project.

(g) 1/11/72-21/12/72 and 6/2/73-9/3/73—completion of reclamation project at Garvey Park.

(h) 16/3/73 to date—continuation of stage 2 Maylands peninsular.

All the above works were on the Swan River and Melville water.

(2) The Maylands peninsular project is scheduled for completion in March, 1974.

(3) Following completion of the Maylands peninsular project, the dredge is to undergo overhaul. There are no other approved dredging or reclamation works on the Swan and Canning Rivers.

QUESTIONS (7): WITHOUT NOTICE

1. RACIAL DISCRIMINATION AND HUMAN RIGHTS LEGISLATION

Discussions with Commonwealth Government

Sir CHARLES COURT, to the Premier:

(1) Did he, or his ministerial colleagues, receive copies of the Bills about racial discrimination and human rights, introduced into the Senate by the Commonwealth Attorney-General (Senator Murphy) last week, in draft form prior to last week's introduction?

(2) If so, when? And was there an understanding that such Bills would be subject to discussion with the States before the final form was settled and the Bills introduced?

(3) (a) If the State Government received such drafts, what action was taken by the Government to make representations to the Commonwealth, for amendment, or any opposition to the Bills?

(b) To what extent were the Government's representations reflected in the Bills, as presented to the Senate?

(4) If the State Government did not receive copies of the draft Bills with an undertaking there would be discussions before the final form was presented to the Senate, does he know that some other States received drafts many weeks ago on this basis, even though the promised discussions did not result?

Mr. J. T. TONKIN replied:

(1) Yes.

(2) The Racial Discrimination Bill was received on the 28th September, 1973. The Human Rights Bill was received on the 12th November, 1973.

The introduction of both Bills was foreshadowed in a telex message sent by the Prime Minister to me on the 27th September, 1973, and the question of discussions was raised therein.

(3) (a) Racial Discrimination Bill: The views of the Western Australian Attorney-General were conveyed to an officer of the Australian Attorney-General's Department on the 8th November and confirmed by letter dated the 12th November.

Human Rights Bill: A telegram was sent by the Western Australian Attorney-General on the 15th November urging discussions before further action was taken.

(b) The Government made no representations on the Human Rights Bill.

The comments on the Racial Discrimination Bill were not reflected in the Bills as presented to the Senate.

(4) Not applicable.

2. FUEL SUPPLIES

Position in Western Australia

Sir CHARLES COURT, to the Minister for Fuel:

The Minister for Fuel made a ministerial statement earlier today about fuel supplies in Western Australia. From my recollection he did not table a copy of his statement. However, in view of the fact we will not be able to obtain a copy of his statement until it has been cleared by *Hansard*, does he intend to table a copy of the statement, or to make a copy available to the Opposition in view of the significance of the statement?

Mr. MAY replied:

I will make a copy of the statement available to the Leader of the Opposition and to the Leader of the Country Party.

3. WHEAT STABILIZATION

New Five-year Plan

Mr. McPHARLIN, to the Minister for Agriculture:

It was reported in *The Countryman* of the 22nd November that there is speculation in the corridors of Parliament House, Canberra, that the Government is contemplating a new five-year plan for wheat stabilization on new terms to be presented "in the near future; this will make unnecessary the other two Wheat Bills already proposed":

(1) Has he received advice from the Minister for Primary Industry that a new five-year plan for wheat stabilization on new terms is to be presented very soon?

(2) Has he received advice that because of this intention the Wheat Industry Stabilization Act Amendment Bill which we have before us, will be unnecessary?

(3) If he has not received advice will he approach the Minister immediately to obtain clarification of the report referred to?

Mr. H. D. EVANS replied:

(1) The Minister for Primary Industry has called a special meeting of the Australian Agricultural Council for the 7th December to discuss a new wheat stabilization plan which will take effect from the 1974-75 season.

(2) The Wheat Industry Stabilization Act Amendment Bill currently before the House is concerned with continuing the existing plan for one year to cover the 1973-74 season and for metric conversion, and it is essential that it be considered during the present session.

(3) Answered by (1) and (2).

4. RACIAL DISCRIMINATION AND HUMAN RIGHTS LEGISLATION

Discussions with Commonwealth Government

Sir CHARLES COURT, to the Premier:

Arising out of the Premier's answer to my question without notice, where he indicated that communication had occurred between the State Government and the Commonwealth Government in respect of the Human Rights Bill and the Racial Discrimination Bill, would he be good enough to make this information available to the Parliament in view of the very wide significance of the powers now proposed to be taken unto itself by the Commonwealth Government, and the fact that this action will impinge on the State's powers?

Mr. J. T. TONKIN replied:

If the Leader of the Opposition will place his question on the notice paper, consideration will be given to his request.

5. CLOSE OF SESSION: SECOND PART

Legislative Programme

Mr. McPHARLIN, to the Premier:

We notice that a number of Bills have been introduced today. Can the Premier advise the House the anticipated number of Bills still to be introduced before the end of the session?

Mr. J. T. TONKIN replied:

Firstly, from very long experience, let me say that what is happening now is no different from what has happened in all the others years I have been here. Secondly, it will be understood that Governments endeavour to draw a line to indicate the last date on which Bills can be introduced. I have done this several times already, but I realise that this system just will not work. I am endeavouring, to the utmost of my ability, to keep the number of Bills down to the absolute minimum. I am juggling with one or two Bills myself at the moment, but I may be obliged to introduce them.

Sir David Brand: Are they included in the 20 you mentioned some time ago?

Mr. J. T. TONKIN: I cannot state the exact number, but I do not expect any more than eight additional Bills will be introduced. There may not be as many as that, but I can assure the Leader of the Country Party that I am just as anxious as he is to reduce the number of Bills which we feel it is necessary to introduce.

6. CLOSE OF SESSION: SECOND PART

Legislative Programme

Mr. GAYFER, to the Premier:

I would like to ask a question of the Premier further to the reply given to the Leader of the Country Party. Is it his intention to proceed with a full debate on all the legislation now being introduced prior to the rising of the House, or is he introducing these Bills in order to gain publicity from the second reading speeches?

Mr. J. T. TONKIN replied:

Let me correct the member for Avon in one particular—I am not introducing all the Bills myself so I cannot get the credit for the second reading speeches. Having resolved that little difficulty, let me say that it is nothing new to introduce one or two Bills for the purpose of allowing them to remain on the notice paper to permit further study of the Bills. This opportunity would not be available if the ordinary course were taken. With a little thought, members will be able to determine readily which Bills fall into this category. I understand one Bill to be introduced by the Minister for Health is for that purpose

only; that is, to provide a full opportunity for consideration of the measure before it is proceeded with.

I can assure the honourable member that the Government has no intention at all to introduce Bills for the purpose of attempting to derive some advantage from the second reading speeches. With the exception that I have mentioned, it is proposed to take the Bills through all stages in the hope that the Legislative Council will see fit to pass them.

Mr. Hutchinson: It would be of great value if you could let us know which Bills you are not proceeding with.

7. HANSARD

Availability

Mr. McPHARLIN, to the Speaker:

You informed us, Mr. Speaker, that through some unforeseen circumstance, the weekly *Hansard* is not available at this time. With due respect, Sir, would you advise members why *Hansard* is not available? It does cause us some inconvenience, and there must be some reason for it.

The SPEAKER replied:

For members' information, a minor dispute occurred in respect of overtime—

Sir Charles Court: Amongst members?

The SPEAKER: —at the Government Printing Office.

DOOR TO DOOR (SALES) ACT AMENDMENT BILL

Third Reading

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

WESTERN AUSTRALIAN MARINE ACT AMENDMENT BILL (No. 2)

Second Reading

MR. JAMIESON (Belmont—Minister for Works) [5.12 p.m.]: I move—

That the Bill be now read a second time.

The purpose of the Bill is threefold. Firstly, it repeals section 30 of the principal Act. This section provides that a person who has operated for a period of three years as a marine surveyor shall be entitled to a certificate to enable him to practise as a marine surveyor. This section was incorporated when the Act was originally drafted to permit those then practising to be certificated as marine surveyors and was in fact what we term the "grandfather provision". However, now that the Act is operating, it has the effect of preventing from being certified anyone who has not in fact practised for three years. Obviously, as the Act is at present drafted, it is not possible to issue a certificate to a marine surveyor. The redundancy of this section was highlighted as a result of a complaint to the Parliamentary Commissioner for Administrative Investigations. The Parliamentary Commissioner recommended that the Act be amended and the Government has adopted this recommendation.

The second matter covered by the proposed amendments is the increasing of the penalties for the overloading of ferries. The principal ferry route is between Fremantle and Rottnest Island. The crossing of this stretch of water can be quite hazardous in adverse weather conditions and it is considered essential that ferry operators should at all times carry no more than the number of persons which the vessel is licensed to carry. In fact, to overload a ferry is placing in jeopardy the lives of many people, and we are fortunate that there has never been a tragedy involving one of the ferries on the Rottnest run. However, the present penalty of a maximum of $100 and a further penalty of $1 for every passenger over and above the licensed number, is inadequate to enforce respect for the law.

Last season there were a number of occasions when the ferries were checked and found to be overloaded. However, magistrates have appeared to adopt a lenient view of this offence, and the fines have never been substantial. On one occasion, an operator was charged with overloading 15 passengers. No appearance was made or defence submitted. A fine of $10 was imposed. This, together with the *per capita* penalty and costs awarded against the offender, was less than the additional revenue obtained from the overloaded passengers. When we have this farcical situation, it encourages unscrupulous operators to take a punt on overloading, as they are aware that if they are caught, they still finish in front.

I submit that this is not right, and I have no doubt that members will agree with me that the fine for this offence should be substantial to ensure that the law, which is there to ensure the safety of persons, is respected on all occasions.

It is proposed by the amendment that the $100 maximum fine be increased to $1,000 and the *per capita* fine of $1 be increased to $10; furthermore, that the fine for a first offence be not less than $200 and for a second or subsequent offence, not less than $500.

I might add that the prevalence of the offence of overloading has given concern to both the Fremantle Port Authority and

the Rottnest Island Board, and both these authorities are in accord with the proposed amendments.

The third amendment covers the manning requirements of vessels subject to the provisions of the Act by way of certified personnel, such as masters, mates, and engineers.

As the Act is at present drafted, it and the regulations are rigid in their application to the various classes of vessels, and whilst they adequately provide for a minimum safe manning standard in most cases, they do not meet the manning requirements in all circumstances.

Under the Act, the vessels are categorised into four classes: coast trade vessels, limited coast trade vessels, harbour and river ships, and fishing vessels; and with technological advances in design, propulsion machinery, and equipment, and special types of craft such as large trawlers which, although classed as fishing vessels, frequently undertake voyages of up to 2,000 miles, there is a requirement for some flexibility in the present rigid requirements of the regulations.

In other words, there is a need to have incorporated in the Act a provision which would permit the setting of special standards to cater for the unusual. To this end, it is proposed that the Act be amended to provide for the establishment of a manning committee which would have a responsibility to recommend to the Minister variations in manning requirements where unusual circumstances exist. The proposed manning committee would consist of the Manager, Harbour and Light Department, a nautical adviser, the senior engineer from the department, and two persons representing the owner of the ship in respect of which the manning committee is to make a determination.

I commend the Bill to the House.

Debated ajourned, on motion by Sir Charles Court (Leader of the Opposition).

Message: Appropriations

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

ELECTORAL ACT AMENDMENT BILL
(No. 2)

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. T. D. Evans (Attorney-General) in charge of the Bill.

The amendments made by the Council were as follows—

No. 1.
Clause 3, page 2—Delete.

No. 2.
Clause 6, page 2—Delete.

No. 3.
Clause 7, page 2—Delete.

No. 4.
Clause 8, pages 3 and 4—Delete.

No. 5.
Clause 9, pages 4 and 5—Delete.

No. 6.
Clause 10, pages 6 and 7—Delete.

No. 7.
Clause 11, pages 7 and 8—Delete.

No. 8.
Clause 12, pages 8 and 9—Delete.

No. 9.
Clause 13, pages 9 and 10—Delete.

No. 10.
Clause 14, page 10—Delete.

No. 11.
Clause 15, page 11—Delete.

No. 12.
Clause 16, page 12—Delete.

No. 13.
Clause 18, page 12—Delete.

No. 14.
Clause 19, page 13—Delete.

No. 15.
Clause 22, page 14—Delete.

No. 16.
Clause 23, page 14—Delete.

No. 17.
Clause 24, pages 14 and 15—Delete.

No. 18.
Clause 25, page 15—Delete.

No. 19.
Clause 26, pages 16 and 17—Delete.

No. 20.
Clause 27, page 17—Delete.

No. 21.
Clause 28, page 17—Delete.

No. 22.
Clause 29, pages 17 and 18—Delete.

No. 23.
Clause 32, page 18—Delete.

No. 24.
Clause 33, page 19—Delete.

Mr. T. D. EVANS: Message No. 76 from the Legislative Council tells the sad story of the fate in that House of the Government's Bill to amend the Electoral Act. I make the point that as far as I am aware what was left in the Bill in the other Chamber was not amended. I intend to move that the amendments be agreed to, but I do so with a great deal of regret having regard to one of the provisions which went by the wayside; that is, the provision relating to the incorporation of party designations on ballot papers. I make that point because in 1971 the Premier received the following

letter from the then Secretary of the Country Regional Councils Association of Western Australia—

> My Association during its last conference discussed the above subject in length, and felt that due to the increase in the number of political parties and candidates, that alteration of our present ballot papers was necessary.
>
> We would therefore respectfully suggest that consideration of placing of party application be placed alongside of nominee's name on the ballot paper. This we feel will reduce the number of informal votes that are now being experienced.
>
> Yours faithfully,
> A. W. NEWMAN.

In 1971 I also received a letter dated the 13th December from Mr. Percy C. Payne, President of the South West Regional Council of W.A. In his letter Mr. Payne drew my attention to the fact that at the annual conference of the South West Regional Council, held at Busselton on the 26th November, 1971, the following resolution was carried—

> That the political affiliation of candidates in Parliamentary elections be shown on ballot papers.

I make the point that apparently in 1973, as interpreted by the Legislative Council and not as interpreted by those two bodies, Western Australia is not ready for party designations to be placed on ballot papers. I regret the action of the Legislative Council.

However, I draw attention to those provisions of the Bill which the Legislative Council has approved. Firstly, clause 4, dealing with the price of rolls, makes provision for the price no longer to be restricted to a maximum of 10c. The fees will be fixed by regulation. Clause 5 increases the penalties for failure to enrol or to notify change of place of living from $4 to $10 for a first offence and from $10 to $20 for a second or subsequent offence. With regard to the electoral deposit by candidates on nomination, clause 17 increases the amount of the deposit to be lodged by a candidate with a returning officer from $50 to $100.

Clauses 20 and 21 provide that any person who has attained the age of 18 years, whether in Western Australia or out of the State, will be an eligible witness. Clause 30 makes provision for an increase in the penalties for failure to vote without a valid and sufficient reason as follows—

Penalty by Chief Electoral Officer—

First offence: Increased from maximum of $2 to maximum of $5.

Subsequent offence: Increased from maximum of $10 to maximum of $20.

Penalty by court—

Increased for a first or any subsequent offence from a maximum of $10 to a maximum of $20.

The last remaining clause is clause 31 which makes provision for the submission of a return within three months of the date of the poll instead of within three months from the date of the declaration of the poll. This is a distinct advantage. It will result in the expiry date being consistent for all candidates. At present the three months runs from the date of declaration of the poll, and if any action is to be taken in respect of anyone who has apparently not obeyed the law, it is necessary for the Electoral Office to check the date the poll was declared in each particular case. I move—

> That the amendments made by the Council be agreed to.

Mr. O'NEIL: I agree with the Attorney-General on this occasion. Some 24 amendments were made by the Legislative Council, and each one related to the deletion of a clause. It may well be that the Legislative Council has taken more out of this Bill than the Opposition in this Chamber proposed to do. I agree with the amendments in respect of certain areas, but in respect of other areas I still think there is room for further consideration to be given to improvements to our electoral law. I proposed to indicate to the Chamber the clauses which remain in the Bill, but as the Attorney-General has done that I indicate that I support the motion.

Mr. W. A. MANNING: The Attorney-General referred to the matter of party names being placed on ballot papers and quoted letters he has received in support of that proposition. I think many of us agree that in some ways it is desirable to have party names included on ballot papers. However, the people who pass resolutions and write letters about this matter do not realise the complicated procedure that is necessary to put the proposition into effect. The Bill which left this Chamber had seven pages of clauses dealing with this matter. This indicates it is not easy to do. It is easy for people to pass resolutions—and I have had something to do with passing resolutions over many years—but when it comes to including provisions in a Bill it is a different matter.

Question put and passed; the Council's amendments agreed to.

Report

Resolution reported, the report adopted, and a message accordingly returned to the Council.

METRIC CONVERSION (GRAIN AND SEEDS MARKETING) BILL

Returned

Bill returned from the Council without amendment.

WESTERN AUSTRALIAN INSTITUTE OF TECHNOLOGY ACT AMENDMENT BILL

Second Reading

Debate resumed from the 21st November.

MR. MENSAROS (Floreat) [5.29 p.m.]: This Bill apparently seeks to make various provisions which, so we were told, have become desirable in the light of past experience and changed conditions. I think the Attorney-General rightly divided the amendments into six categories; however, whether the Bill will do what he said it will do in his second reading speech, and whether it will do what the institute apparently asked him to do, is another matter altogether.

There is a further question which comes to mind: It is whether at this stage—I do not want to use the cliche by referring to the dying hours of Parliament, because there are no signs of the present session dying as yet—it is necessary or it is so urgent, and I am putting these two qualifications one against the other, to bring in these provisions.

Let me say that the Bill before us is not so much an educational measure, despite the fact that it belongs to the portfolio of Education, but is primarily a Crown Law one which seeks to tidy up certain rules made under the Act.

Let me examine the provisions in the Bill, one by one. The first concerns the definitions. I wonder why on two occasions the Minister said in his second reading speech that this is an amendment to extend the definition of the word "Statute" to include a rule made under a statute of the institute. Further on in his speech the Minister said that the first amendment was merely to extend the definition of the word "Statute" to include a rule made under a statute. The Minister went on to say—

> This provides four classes of authority; that is, the Act, by-laws, statutes, and rules, as is common in legislation relating to universities and other colleges of advanced education.

The Bill does not do anything like that at all, because it seeks to extend the definition of the word "prescribed". So, in that respect the second reading speech notes of the Minister should have been prepared more carefully.

I query the reason and the necessity for this amendment of the definition. Already there is a definition of the word "prescribed" in section 4 of the Act, and it is as follows—

> "prescribed" means prescribed by this Act or by a by-law or Statute, as the case requires;

The amendment in the Bill simply adds to this definition the words "or a rule made under a Statute". So, it extends the definition of the word "prescribed".

This is not an attempt to right some precise differences, because if there is a definition then it is obviously needed. This word "prescribed" appears often in the Act. I assume, however, that the definition will not apply in places where the word appears in conjunction with another expression. For instance, where the Act states that the by-laws shall prescribe the following matters then I assume the definition will not apply. Again, where the Act states the statutes are to deal with the prescribing of certain things then I also assume the definition will not apply.

Apart from this, my scrutiny of the Act reveals there are three places—although two are in conjunction—where the word "prescribed" can be subject to the definition. These two places are to be found, firstly, in section 7 which sets out the functions of the institute. Paragraph (f) states that the award of diplomas and degrees upon examination can be made by the institute as prescribed. It is fair enough to apply the definition of "prescribed" in this provision.

The second place where the definition can apply is in section 9(6)(a) and (b). Both of these paragraphs deal with a casual vacancy on the council. Each case relates to the position where one of the council members cannot continue to serve on the council for some reason, and therefore he has to be replaced by another member. Paragraphs (a) and (b) state that such other member shall have like qualifications to those held by the original member. That means if the original member was the Director-General of Education, to take this as an example, and he vacates his position on the council because he has been granted leave for a long period or is ill, then somebody has to be appointed to his place; and that person shall have like qualifications as prescribed.

This is the further instance where the definition is applicable: where council members not appointed by the Governor, as well as council members appointed by the Governor, have to be replaced. The amendment to the definition of "prescribed" will apply to these two instances in the main.

I question whether this is intended. Even if it is intended I wonder whether it is necessary to prescribe by a rule, as distinct from a statute, the conditions for awarding diplomas and degrees upon examination. That might or might not be desirable.

I have made inquiries of the institute, but unfortunately Dr. Williams is out of the State, and I was only able to contact his deputy. My inquiries revealed this was not the purpose of the amendment. It might be a good thing or it might not be a good thing, but in my opinion it is not a particularly good thing, because there is reference in the Tertiary Education Commission Act to consultations with that body when diplomas are awarded. So, I do not think it is intended that a rule should be brought down under a statute only to regulate this type of matter.

In the second case I am quite sure it is not the desire that a rule shall prescribe what are like qualifications. If the Act states that the Director-General of Education shall be a member of the council, and a substitute member has to be appointed in his stead, surely no rule should be made to appoint an attendant of the Education Department as the substitute member. The substitute member must have—by virtue of the Act—like qualifications, and therefore he will be one of the Assistant Directors-General of Education, or an officer deputed by the director-general as already provided under the Act.

This amendment in the Bill is a mistake; it will not achieve what it seeks to achieve; and according to my knowledge and the view of the institute itself it will not do what the Minister has said it would. Apart from this, I emphasise that the amendment is not an extension of the definition of "Statute" in the Act, as the Minister has suggested in his second reading speech.

The hierarchy of laws in connection with the institute to make rules is set out in the Act; that is, there is the Act, and there are the statutes, the by-laws, and section 34 (3) which empowers the council of the institute to make rules. So, this range of authority—as the Minister called it—already exists. I cannot understand the Minister's explanation, in view of what I have said.

I do not think it is the duty of the Opposition to tidy up this aspect of the Bill. I do not intend to move any amendment in this respect, but I feel the amendment in the Bill as it stands confuses the meaning of the provisions in the Act, and is absolutely unnecessary. I leave this matter with the Minister for his consideration. He might be prepared to look at it, although I suggest he could have looked at it before he introduced the measure.

The SPEAKER: I must ask members to be quiet.

Mr. MENSAROS: Turning to the second amendment in the Bill which relates to doing away with the necessity to obtain the approval of the Minister for certain appointments, I have no quarrel with it. This is the normal procedure that is followed in other autonomous tertiary institutions.

It is understandable that the existing provisions appear in the Act, because originally the Western Australian Institute of Technology was not born as a self-governing body. It was born partly to replace certain sectors of technical education; and it was born under the auspices of the State. Later, it developed into an autonomous body. This provision which has remained in the Act is due to be corrected; however, I do not think it is of such an urgent nature that it should be introduced at this juncture. I have no objection, however, to this amendment.

The third amendment in the Bill deals with the common seal of the institute, which relates to the award of diplomas or degrees. It stands to reason and it is a matter of common sense that the common seal should not have to be used for such purposes, because the common seal has some rigmarole attached to it. There are certain procedures to be followed when the common seal is used. As the institute grows, more and more degrees and diplomas will have to be awarded; therefore it is not practical for the common seal to be used on each of these awards. It would be quite sufficient if an intermediary seal under the authority of the dean of a faculty—although this is not spelt out in the Bill, it was suggested by the Minister—is used. We have no objection to this either.

The fourth amendment in the Bill is a rather important one. It extends the enumerated powers of by-law making. The original Act contained an overall provision enabling by-laws to be made in connection with land. That is the purpose for which by-laws are generally used, and usually it is provided that such by-laws shall not be contrary to the aims of the Act.

I would have thought this would be an adequate provision. However, it is felt by the institute, and more particularly by the Crown Law Department, that this is not an adequate provision.

The Minister should have told us why the Crown Law Department takes that view, because at this juncture without a counter argument having been presented I cannot agree with this contention. I cannot see it is necessary. However, I might be wrong, and given proper argument I might very well concede that the situation as indicated by the Crown Law Department is correct.

Having read through the Act very thoroughly, and having some knowledge of the Acts governing tertiary institutions in this State and in other States, I cannot see that this amendment is necessary, and that the institute is not empowered to make by-laws based on the Act.

That does not mean to say I am opposed to this enumeration of powers; on the contrary, I support the proposal. In fact, I say it could be extended even further.

When we look at the tidiness of the Act, I am sure we cannot say there is tidiness in the provisions relating to the by-laws. It has always been understood, and it has been the practice under Acts governing tertiary institutions, that a statute is brought down in a general field, and that a by-law is brought down in connection with land. Of course, the rules or regulations which are made either under the statute or by-laws, or directly under the Act, deal with general matters as well as matters connected with land. There is a considerable difference between these authorities or laws, because the statutes have to be laid on the Table of the House in this Parliament and are subject to disallowance; whereas rules and regulations do not have to follow this procedure.

The by-laws are somewhere in between; they have to be gazetted by the Government. I am referring, however, to the provision contained in the amendment which will add a new section 20A—particularly paragraphs (a) to (l) of proposed new subsection (2). I feel there are certain provisions in those paragraphs which more rightly belong under "rules" to be made under the statutes. Although on each occasion the paragraphs refer to land—for example, paragraph (e) will provide for regulating the conduct of persons using or being in or "upon such lands"—I consider this by-law creates a situation similar to that where a smart type of member is called to order and told that he should keep to the subject under discussion, and where he continues to talk about another subject by continually saying, "in connection with this Bill". The institute will be placed in a similar situation because, for instance, another by-law will prohibit the use of abusive or insulting language "on institute lands".

A by-law made in connection with the Institute of Technology could quite clearly not prevent the use of bad language away from the institute, so I suggest that this provision could have been more appropriately dealt with if the enumerated powers for bringing down rules were, perhaps, included in the part of the Act dealing with statutes.

I want to make a comment which is very pertinent to this enumeration. In the example I have given it is intended to prevent the use of abusive or insulting language, which is fair enough, but I wonder why nothing is said about the offences relating to abuse, anarchy, or incitement which are printed or otherwise copied and distributed. This seems to be a much greater problem. We see that certain unwanted elements, sometimes from within the official guild or union and sometimes from outside, use the tertiary education campus—which the majority of students attend for learning—to distribute all sorts of inciting literature. This type of action is bringing the institution into disrepute. People who read about the *Pelican* publishing obscene articles immediately associate those articles with the University of Western Australia, and the same thing applies to the Institute of Technology.

I could quote certain paragraphs from official publications which I am sure the Government would agree are not desirable. When representation is made to the director or the council of the institute a stereotyped reply is usually received to the effect that articles could have been printed by the guild and that the council could not mix in the argument because it was the business of the guild.

I submit that if we are to restrict the academic freedom of the institution by having various provisions relating to the institution we could apply the same restrictions to the guild by means of an amendment to the legislation. There is no prohibition against the guild. The Act has been amended four or five times without being reprinted, yet it contains only one short paragraph concerning the guild; then there are the statutes of the guild which in shortness almost rival the provisions in the Act.

Surely there is more need to have some sort of restriction on the guild than there is to have restriction on the council. The council comprises responsible people, mostly appointed by the Minister of the Crown. Therefore, it seems to me that those people need less restriction than do the members of the Guild of Undergraduates which comprises young and inexperienced people, and quite often people who give more time to the type of activity I have mentioned than they give to their studies. I want to make it clear that I am not against guilds or unions within universities. Indeed, when I was a young man I was president of one of these guild-type organisations. However, I believe they should be kept within certain limits so that they pursue the purpose for which they are formed. The purpose of their formation is spelt out in the Act, and it is for the welfare of the students in the institution.

I think I might be in order in referring to a recent experience when I had to make inquiries regarding certain anarchistic literature. The Minister for Police was very kind and he directed a member of the Police Force to me to explain the whole situation. The officer said that in certain instances they had found that the anarchistic literature had been printed at the Institute of Technology. When I made inquiries of the institute I was told that

the authorities did not know anything about it but that it could very well have been done by the guild.

It appears that the guild can do what it likes and I suggest that if we are to go to the trouble and the pain of bringing down many restrictive laws in connection with the institution itself, surely we should bring in similar laws in connection with the guild.

I cannot omit the opportunity to say that it was a grave mistake on the part of the institute to make guild membership compulsory. I know we have different views on this question but I want to make it clear because there has been reference to this matter. It was not the member for Moore who was responsible for making membership of the guild compulsory; the parent Act does not mention the matter. The original Act sets out that the institute could make statutes concerning the guild, and the institute was responsible for making membership of the guild compulsory. It was not the former Minister, as has been said previously in this House. I consider that the institute took wrong advice when it made membership of the guild compulsory. Surely the majority of students who attend the institute do so in order to study. Those students do not like activities which have nothing to do with their studies, and are purely political or inciting, or abusive in certain cases. Fortunately, we have not heard of any action regarding the latter in connection with the institute.

The fifth amendment is very simple and one can understand the reasoning and rationale behind it. At present the parent Act provides that the report of the institute should be presented on, or as soon as possible after, the 31st December of each year. It is intended to change that date and although the actual date is not set out in the Bill the Minister firmly stated that it will be the 30th June; that is, the end of the financial year. However, the Bill simply states that it shall be on a date approved by the Minister. Of course, we have no opposition whatsoever to this provision. The Minister and the Treasurer have to agree, in accordance with the wishes of the institute, and surely those wishes will be accepted.

The sixth, and last, amendment will validate certain by-laws and statutes which have already been brought down by the institute under the auspices of the Act. On many occasions I have stated in this House that such provisions are bad because they are retrospective, and that they were not acceptable. However, in this case I do not intend to argue against the provision because I think the by-laws were valid originally.

I return to the argument I raised regarding the second amendment contained in the Bill: I doubt whether this amendment is necessary either. I think it is worth while reading to members section 34(3)(a) of the parent Act because I consider that the paragraph gives the institute the power necessary to make its own rules in virtually all fields. The subsection reads—

> (3) The Statutes may provide for—
>
> (a) empowering the Council of the Institute to make by-laws or rules—

Hence, as I said, rules are already incorporated in the legislation. To continue—

> —not inconsistent with this Act or with any Statute for regulating or providing for the regulation of, any specified matter with respect to which Statutes may be made, or for carrying out or giving effect to the Statutes, and any of those by-laws or rules shall have the same force and effect as a Statute;

That subsection virtually provides an argument against the Minister. Firstly, rules are already provided for; and, secondly, we are able to see the rules in the hierarchy of laws rules. Furthermore, rules should have the same effect as statutes. I see the amendment as being unnecessary. I do not argue against the retrospectivity or the validating effect of the clause because my firm belief is that the rules and statutes which were brought down by the institute are, and always were, perfectly valid.

The SPEAKER: Order! I must ask members to be a little less noisy.

Mr. MENSAROS: As I mentioned earlier, I welcome very much the enumeration of the by-laws, but I would like to see them extended; because I see a desire on the part of the institute or the Minister, or perhaps both, to keep the affairs of the institute and the behavior of its students in order.

In the interests of science, and the students of our tertiary institutions—and in the interests of the citizens of this State—I do not think we can go far enough in specifying to students their primary job, and doing everything possible to prevent anything which might lead to student unrest—apart from little pranks which are understandable in this age anyway.

I say again that some of the provisions contained in this Bill are unnecessary but I definitely consider that none of them is very urgent. I would like the Minister to give serious consideration to what I have said. I ask him, firstly, whether the amendment to the definition of "prescribed" is necessary, and whether it will mess up the Act? Also, does the Minister consider that these "prescribed" actions —mentioned in sections 7 (f) and 9 (a), (b) and (c)—should be done by rules? I do not think they should be.

Secondly, I ask the Minister whether or not we should give second thoughts to the necessity for the validity clause. Also, I would like the Minister to explain, either when he replies or at the third reading stage, the thinking behind the Crown Law decision that certain rules and statutes are not valid, and that it is necessary to amend the Act in this regard.

Finally, I reiterate that I would like the Minister to give serious thought to the suggestion that either the institute formulate statutes or that Parliament legislate in connection with the guild. I feel this is more appropriate and necessary than to have rules and regulations for the institute itself. I do not oppose the Bill.

MR. E. H. M. LEWIS (Moore) [6.01 p.m.]: The Bill setting up the Western Australian Institute of Technology, which was presented in 1966, was rather unique legislation in Western Australia. Members will recall that at that time the institute was somewhat of an extension of the technical division of the Education Department and it did not qualify in any way for Commonwealth support. Nevertheless, we could see the potential of an institute of technology.

The original legislation provided for an interim council during the formative years of the institute, and under the legislation the interim council had a life of two years. Members will recall that the late Dr. Robertson, who had retired from the position of Director-General of Education, was the first chairman of the interim council. The interim council later gave way to a permanent council which was provided for in the original legislation.

Since then, the Act has been amended three times—in 1968, 1969, and 1970—and each amending Bill has been a step towards the development and maturity of the Western Australian Institute of Technology. I look upon the present Bill as a further step towards that goal.

The Institute of Technology has established for itself quite a high reputation throughout the Commonwealth of Australia, and I believe from its infancy the council has continued to create an institute of which we, as Western Australians, can be proud. Some of the original members are still on the council and the present chairman is Mr. Henderson. Other developments have taken place. Following the establishment of the Tertiary Education Commission, the institute now comes under the general umbrella of that commission and qualifies for Commonwealth assistance.

Generally speaking, I approve of the Bill now before us because I believe it is a step which brings greater maturity to the legislation in keeping with the continued growth of the institute.

I must admit I have not submitted this Bill to the same critical analysis as has the member for Floreat, who gave us a legal criticism of it which is perhaps a little beyond me. Moreover, perhaps I am becoming a little more tolerant and more inclined to accept at face value the information give us in Ministers' second reading speeches. I accept without question the Minister's statement that the Statute *is now in keeping* with the Statutes applying to the two universities in Western Australia. I believe that to be so and I will not argue the finer points in relation to the institute's statutes and regulations. The member for Floreat is better equipped than I to do that.

Speaking generally about the Bill, clause 5 repeals subsections (4) and (5) of section 20 of the Act which set out the by-laws, and clause 6 re-enacts those provisions in a new section 20A. I do not know whether this has been done at the instance of the council or the Crown Law Department, but I believe the new provisions spell out more clearly and in more detail the powers of the institute.

I notice among the by-laws one which provides that fees may now be charged for the parking of vehicles. That provision did not apply previously, and in his second reading speech the Minister said it was in conformity with the provisions applying in universities and other tertiary institutions throughout Australia. Another new by-law prohibits the writing or printing of indecent words. I am very pleased about that provision. It states without any doubt that this will not be countenanced by the institute, and it has been made an offence.

The provision for the waiving of the common seal on certificates or awards is a good one. Such documents may be stamped with a facsimile of the signature of the dean of the faculty. That is a practical provision. I well recall having on occasions the task of signing hundreds of certificates, which is a very boring and tiring job. This provision will simplify the procedure without detracting in any way from the certificates.

I have some doubt about the proposed by-law (j), which authorises any police constable or any member of the staff of the institute to remove from the institute's lands all persons guilty of any breach of a by-law. This is rather wide. It gives to any member of the staff the right to remove any students or anybody else whom he thinks is guilty of an offence.

Mr. Hartrey: He will not be in a great hurry to do that.

Mr. E. H. M. LEWIS: It will be difficult and perhaps dangerous for a member of the staff to decide that someone is guilty of a breach of the by-laws. The Minister might make a note of that point and enlarge upon it in his reply.

Clause 7 provides that the financial year may end on a date other than the 31st December. It is not mentioned in the Bill but I think the Minister said the clause referred particularly to the financial statements of the book shop.

Clause 8, which amends section 34 of the Act, again deals with statutes. I believe it will bring the statutes up to date and give them greater clarity than they have at the present time.

All in all, I support the Bill. I think it is quite a commendable step forward and is in keeping with the continued growth of the Institute of Technology and the degree of responsibility which it has attained.

MR. T. D. EVANS (Kalgoorlie—Attorney-General) [6.11 p.m.]: I thank both members who have contrtibuted to the debate. I will speak briefly to the comments made.

I indicate to the member for Floreat that the suggestions he made for proper processing will have to go to the institute and the Crown Law Department for consideration. I am not in a position to comment specifically on the questions raised but I give an undertaking that I will have them examined. I would like to have the Bill passed through the second reading stage tonight and defer the Committee stage to a later date.

I will refer the comments of the member for Moore to the Minister with a view to having them examined by the institute. I commend the Bill to the House.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. T. D. Evans (Attorney-General) in charge of the Bill.

Clause 1 put and passed.

Progress

Progress reported and leave given to sit again, on motion by Mr. Mensaros.

Sitting suspended from 6.14 to 7.30 p.m.

RAILWAY (BUNBURY TO BOYANUP) DISCONTINUANCE, REVESTMENT AND CONSTRUCTION BILL

In Committee

Resumed from the 8th November. The Chairman of Committees (Mr. Bateman) in the Chair; Mr. May (Minister for Mines) in charge of the Bill.

Progress was reported after clause 1 had been agreed to.

Clause 2: Commencement—

Mr. MAY: When the Bill was under discussion several weeks ago I undertook to ascertain, from the Minister for Railways, answers to certain questions that had been raised by the member for Mt. Lawley, the member for Bunbury, and the member for Wellington. In the meantime the member for Bunbury has asked several questions in Parliament and has received answers to those questions. Accordingly the reply I have been given from the Minister for Railways does not include those answers. The Minister has provided me with the following—

> It is not possible to provide an overall plan incorporating all proposals for the Bunbury-Picton area for tabling in Parliament as requested by the Member for Bunbury, as a plan of this scope is not currently available.
>
> Officers of the Western Australian Government Railways would be pleased to discuss the future intentions for the area with members and to explain these proposals from departmental plans at the Civil Engineering Branch offices in Wellington Street at their convenience.
>
> In regard to the concern expressed by the speakers that the area of land contemplated at Waterloo may be insufficient for future needs of the south-west, it is advised that this aspect has been given due consideration. The 42 hectares concerned are sufficient to establish the proposed new line, plus suitable marshalling yards and servicing facilities which will adequately cater for the needs of the area in the foreseeable future.
>
> The extent of the yards and servicing facilities to be provided will, of course, be dependent on the progressive build-up of bulk traffic movements, but allowance has been made in planning for a substantial increase beyond existing and projected tonnages.
>
> Although doubt has been expressed by the speakers that the route of the new railway is the best possible, it is the result of consultations extending over a considerable period with the Bunbury Industrial and Associated Development Working Committee and has been agreed by all concerned as being the most suitable. A number of alternatives to the selected route were considered and rejected and it is generally accepted that the arrangements now proposed are the most satisfactory to meet the overall requirements of the area.
>
> Planning for the future of Bunbury includes the eventual routing of the wood chip trains to and from the inner harbour via the proposed new railway area at Picton. The period that the original route for these trains via Bunbury Yard will require to be used could depend on future harbour developments.

I hope these answers cover all the questions that were asked.

Mr. O'CONNOR: I am sorry I was a little late and I did not hear all the Minister had to say. Could the Minister let us know when the project is set for commencement and when it is likely to be completed? I know this could be some considerable time ahead, and I wonder whether the Minister could give us some information.

Mr. May: The timetable given in the second reading speech notes indicates there would be some time between commencement and completion.

Mr. O'CONNOR: I was wondering whether this meant three, four, five years or more.

Mr. May: I do not know.

Mr. O'CONNOR: That is fair enough. The other point I wish to raise is the question of the outward line through Bunbury. This is a matter that concerns me. I feel, as do many of the residents, that the future route of the railway will spoil the centre of the town. I know we must have this railway, but I thought there was a possibility of the line being brought in and taken out through the harbour area.

The town of Bunbury is growing and will continue to grow, because of the industry that is to be established there. I hope the Minister will confer with the Commissioner for Railways to see whether or not it is possible for the railway to go in and out on the same route.

There would be no problem so far as the land is concerned, because it is already held by the department. Quite a lot of land has been resumed. I would like to draw an analogy between the proposed route and the position that would obtain if something similar were done in Geraldton—if a railway were to come in on the beach front, turn around, and run back through the centre of the town. It would make a mess of the town. It would certainly make it impossible for Bunbury, particularly with the establishment of the wood chip industry, the Alwest project, and the transportation of Collie coal. Tremendous inconvenience would be caused to the people in the area.

I am glad, however, the department is happy with the overall position. We must not look at this as a separate section, but as one overall plan to have all the industries involved combined in one large project. I am glad to see this is to happen. I would be glad if the Minister could refer to the Minister for Railways the point I have raised in connection with the proposed route and advise me in due course of the reply he receives.

Mr. MAY: This matter was discussed with the Bunbury Town Council and with everybody in Bunbury who had a particular interest in the railway line and the area it would service. Knowing the Bunbury Town Council as I do I am sure it would have raised these matters if it were at all concerned. The committee was very comprehensive in its inquiry which extended over a considerable time. If there were any dissatisfaction with the route selected I am sure the member for Bunbury would have been inundated with queries which he would have been asked to raise in Parliament. I will, however, mention the matter to the Minister for Railways.

Mr. SIBSON: I thank the Minister for the explanation he has given. I am still concerned that the area of land—the 42 hectares—will not be sufficient in the long run. The Minister assures us that it will. I am not at all sure of the amount of time that is to be involved. Is it to be the next 10 years, 40 years or 50 years?

Mr. May: In his notes the Minister for Railways says "in the foreseeable future" and adds that they have had experience in terms of the Kewdale marshalling yards.

Mr. O'Connor: Is 40 hectares the total area?

Mr. May: It is 42 hectares.

Mr. SIBSON: The Minister also says that future planning will depend on development. I should have thought it would have been the other way around—that development would depend on planning. One point that has not been mentioned is the turnaround that will be necessary in connection with the wood chip industry.

At one time the railway was to go from Picton to Bunbury and come out that way, but now it is to run from the Waterloo crossing to the harbour. I would like to know what planning has been done and what consideration has been given to turning the train around at Koombana; as is the case on the eastern side of the harbour where the Alcoa train comes in, turns around, and goes back on the same line.

If the line from Picton to Bunbury is to be taken out it is obvious there must be provision to turn these trains around in the Koombana area. There does not appear to be any planning in this direction.

Perhaps the Bunbury Town Council did not voice its opinion strongly because it was trying to be co-operative. We are interested in the overall plan. I believe that development depends on future planning, and not the other way around. At least this is how it should be looked at.

The Minister has not mentioned the date for the phasing-out of the Bunbury-Picton line. This is what we are looking for. We are not so worried as to how long it will take as long as we have a date to which to work. This is necessary because Ministers come and go and we do not know who will be the Minister in the future. I

hope the Minister will be able to obtain the date of the phasing-out of the Bunbury-Picton line, because this is a matter that concerns me.

In the event of the line being phased out, some mention has been made of the fact that it would be an advantage to have the Bunbury station continue to operate, and I believe that could still be done. In my opinion there is no reason that the station could not remain where it is, especially as the land-backed wharf, the wheat silos, and the oil service installations will remain. There is no real reason that the railway could not be routed through the central harbour area, from Picton, and come out at the Bunbury station. I am not actually advocating that this be done, but there is some concern over the removal of the Bunbury station.

The main reason for my concern is that we still do not have any overall plan. The people of Bunbury would like to see a comprehensive plan of the whole area. As the member for Mt. Lawley mentioned, Bunbury will grow at a much faster rate than other country towns, especially when we take into consideration the fact that it is a service area in a rapidly growing region. The area is not only growing in population but also the production of many export commodities is increasing. For instance, with the discovery of more and more deposits of coal at Collie there is no reason to suggest that Bunbury Harbour will not become the outlet for large tonnages of this commodity. Further, with the prospect of greater production of fruit and the establishment of an abattoir leading to the export of meat, Bunbury will be used more and more as the port through which these products will be shipped.

In addition, we have other industries in the melting pot, such as Alwest. Both the member for Collie and I hope that this project will eventually be established, and if and when it does come into operation this will mean more freight will be transported into Bunbury and it is evident that the growth of this area will be tremendous. This is the reason that many of my constituents consider that a comprehensive, long-term, and fully developed plan of the whole area should be prepared.

The people of Bunbury also consider that plans should be made now for installations that can be expected to be provided in the next 10 to 30 years. I appeal to the Minister to give some consideration to the turnaround of the wood chip trains in the Koombana area, because this would be of great benefit if it could be done.

Mr. May: What do you mean by "turnaround"?

Mr. SIBSON: The Minister is aware of the plan to bring the trains in from Alcoa. It is proposed that they will then be turned around before going out again. What I am asking for is somewhat similar to what is being done in the Koombana area.

Mr. May: There has never been any difficulty in turning trains around on a single line.

Mr. SIBSON: I have been led to believe that this operation presents some problems. If what the Minister says is correct, that is quite all right, but I have been fobbed off over this matter by one or two people.

Mr. May: It is normal, in railway working, to pull a train in on a single line and then to turn the engine around.

Mr. SIBSON: If this is so why cannot this be done in the initial stages? Why bring the wood chip train in through Bunbury?

Mr. May: In my second reading notes there is no mention of this being done. It is only that I know a little about railway working that I mentioned this aspect to the honourable member. Normally, on a single line, they can bring the train in, and turn the engine around so that the train can be taken out again.

Mr. SIBSON: I have been led to believe that there are some problems in regard to this. I accept the information supplied to me because it was said that it was necessary in the initial stages to take the train into Picton and then on to Bunbury. It appeared to me that there would be no need to do that in the first place, bearing in mind that the wood chip trains will constitute a problem in taking them through on the main line into Bunbury. I merely ask that the Minister give these suggestions serious consideration.

Mr. O'CONNOR: I merely wish to elaborate on some further points that were raised by speakers in debate. First of all the Minister said that the train could be operated on a single line by bringing it in to Bunbury and then turning it around.

Mr. May: We were only talking about the wood chip trains.

Mr. O'CONNOR: When one looks at the marshalling yards area and the complete set-up one realises that would be impracticable because of the tremendous amount of traffic in the area, and it will increase considerably in the not-too-distant future.

Mr. May: We do not want that.

Mr. O'CONNOR: I do not think it can be avoided because Bunbury is the hub of the south-west.

Mr. May: We do not want too much traffic around Bunbury.

Mr. O'CONNOR: I was referring to the new section. I would hope that we do not have to operate over a single line which would require the engine to be turned around, because this would be difficult and

impracticable in that area, and especially if the traffic builds up to the extent we think it will.

Mention was made that the area in question was 40 hectares, which is about 90 acres. This may sound to be a large tract of land, but frankly I do not think it is. I remind the Committee again of what happened at Kewdale. Initially an area of only about 260 acres was reserved for the establishment of the freight terminal at Kewdale, but with the establishment of the marshalling yards we found that the area was too small and it was extended by over 600 acres.

Mr. May: Yes, but the storage area took up a terriffic amount of space.

Mr. O'CONNOR: I agree, but what I am pointing out is that a similar situation could arise in the Bunbury area. After the Kewdale freight terminal was established many transport organisations established themselves in the area. To cite another example, in Geraldton a number of transport organisations have bought land at that centre in order to conduct their operations. Also, at Kewdale, many timber firms operate in the area and they transport their products in and out of Kewdale whenever this is necessary.

From the Bunbury area coal, alumina, and ilmenite will be shipped through the Port of Bunbury in ever-increasing quantities in the future. Further, large quantities of these products would have to be stored for quite a considerable time, and if Bunbury continues to act as the hub of the south-west, whilst 40 hectares may sound to be quite a large area at the present time, within a few years I am sure this will be found to be inadequate. In my opinion we should think big in regard to these undertakings and acquire more land than is necessary for our present needs, especially as we must expect the value of land to increase as the years go by. There may be a temporary lull in the price of land but, in the main, land values generally do not decrease, and I should imagine that this land, being fairly close to the town of Bunbury, will increase in price quite considerably.

Therefore, as I have said, we should think big and say to ourselves, "Railways have a big future in the Bunbury area. The quantity of freight carried will increase tremendously in the next five to 10 years." That definitely will be the position in the near future, and we should say, "Yes, we need a certain area of land for this undertaking, but let us reserve a little extra to meet our future needs." An area of 90 acres is not very great for a railway project, especially when we take into consideration that provision will have to be made for locomotive sheds, control towers such as have been erected at Northam, and many other railway installations that are necessary in a project of this nature.

In addition, as I have pointed out, many transport organisations will want to establish buildings in the area in order to conduct their operations, and timber firms will probably have similar plans. I can visualise that many people connected with foodstuffs and various other commodities will also wish to establish themselves there. Therefore we must have an adequate area of land to accommodate all these people and the storage facilities they will require.

So I ask the Minister to present these suggestions to the department and point out that in the next 10 to 30 years it will require more land for its operations in the Bunbury area. I forgot to mention that the department will probably also need a depot in the vicinity for the working of the vehicles, and if this is so we should try to get sufficient land now rather than look around for it in the future when the price will be greater.

Mr. SIBSON: After examining the plans once again I have worked out that the solution to the problem of bringing trains straight in and straight out on the single line is that the trains are to be about half a mile long and there is not enough room right through the area to take alternative action. The trains would either have to be taken through Bunbury or be turned around in the area.

Another point I would like to mention is that the people of Bunbury are in no way against the W.A.G.R. What I am trying to do is to ensure the future of the railways in Bunbury. I want them to be placed in such a situation that everyone in the area supports the railways and does not grow to hate the department. I can assure the Minister that if this train is to stand on a crossing for any length of time the people of Bunbury and the south-west will grow to hate the railways. This is not the attitude I want the people of Bunbury to adopt, because I believe the railways have a great future in the south-west. Whilst road transport will be quite adequate to transport small items of freight, the haulage of heavy traffic, in the main, will be done by the Western Australian Government Railways. For this reason I am anxious to see the railways gain a popular image in the Bunbury area. I have mentioned this only to point out that I am not opposed to the railways because in my opinion they will be a great asset to our industries and of benefit to the people in the south-west.

This is one of the main reasons why, in regard to this Bill, I would like to see a comprehensive and long-term plan prepared. I am sure this would work out to the best advantage of the W.A.G.R. and the people in the district generally.

Mr. MAY: I have taken note of all the matters raised by various speakers and I will refer them to the Minister concerned. I cannot explain why an area of 42 hectares

has been set aside. Like the member for Mt. Lawley it seems rather small to me. The area at Waterloo is not very large.

Mr. W. G. Young: It is about 100 acres.

Mr. O'Connor: It is still not a very large area.

Mr. MAY: In any case I will bring these points to the attention of the Minister with a view to ascertaining the true situation.

The Bill indicates that the railway construction will not be commenced in the immediate future. I admit this information is a little abstract, but I will endeavour to get the Minister to look at the speeches and, if possible, to give the information direct to the members concerned.

I can assure the member for Bunbury that I have had the same experience in Collie regarding trains at crossings. The trains at Collie have held up vehicular traffic for hours on end in this way. I am sure these matters have been looked into thoroughly, but I will refer them again to the Minister.

Clause put and passed.

Clauses 3 to 6 put and passed.

First to third schedules 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. May (Minister for Mines), and passed.

DEATH DUTY ASSESSMENT BILL

Recommittal

Bill recommitted, on motion by Mr. T. D. Evans (Assistant to the Treasurer), for the further consideration of clauses 3, 5, 10 (2) (c), 10 (2) (e), 10 (4), 10 (9), 12, 26, and 49.

In Committee

The Chairman of Committees (Mr. Bateman) in the Chair; Mr. T. D. Evans (Assistant to the Treasurer) in charge of the Bill.

Clause 3: Repeal and application—

Mr. T. D. EVANS: The member for Wembley wishes to move an amendment to clause 5, but I have already included clause 5 in my motion for recommittal.

By way of general explanation, I make the point that the amendments I have foreshadowed on the notice paper are now included on a sheet, a half a dozen copies of which I have provided for each of the Opposition parties. The Clerk has other copies available for any member interested. As a result of a study of the debate which took place during the second reading stage, I have included additional amendments aimed at meeting the wishes of members.

Because of the complexity of the debate and the many points raised—and I emphasise the word "many"—including those about which I was asked to seek the opinion of the Commissioner of State Taxation as to the incidence of evidence of events claimed likely to occur, I have sought that opinion; and, with your indulgence, Mr. Chairman, I will find it necessary to rely fairly heavily on notes. I do not want to be challenged concerning my reading of the notes. All I am endeavouring to do is to answer the questions asked, by giving the opinion I sought.

Mr. R. L. Young: We will be more reasonable than you.

Sir Charles Court: I hope we can have an understanding that this goes for our people, too.

Mr. T. D. EVANS: I am quite happy about it.

Sir Charles Court: You were not before.

The CHAIRMAN: Order!

Sir Charles Court: We are much more tolerant about this than you are. Just remember the events of the last few days.

Mr. T. D. EVANS: Paragraph (o), which will be affected by one of the amendments I propose to move to this clause, does not deal only with life governor shares. It deals also with notional property and with benefits flowing to one person on the death of another. It is true that when, as a result of the death of a life governor, an increased benefit flows to the holders of other shares, life governor shares do in that instance, and in that instance only, come under the provisions of paragraph (o).

Another criticism of the legislation was that it is retrospective. The member for Wembley stated that hitherto no-one from this side of the Chamber had been able to give examples of when Governments in the past made amendments which were retrospective in their application. I prefer the term "retroactive". Research has indicated that these examples are readily available.

Mr. R. L. Young: Before you go on let me say I was challenging the claim members on the other side made that our Federal Treasurer (the late Mr. Holt) had made certain taxation laws retrospective, but he never did.

Mr. T. D. EVANS: I am not in a position to confirm or deny claims concerning the late Prime Minister Holt; but I have been able to find examples effected by a Labor Government in 1934 and by the Government which was led by the member for Greenough in 1966. I will give the details concerning these examples.

Prior to 1934, land, the sole proprietor of which was the deceased, on the death of that registered proprietor came into his dutiable estate as it does now; but when

land was held in joint tenancy prior to 1934 it was the theory of the law that on the death of one of the registered joint tenants the whole of the land in the title by the doctrine of survivorship flowed, not through the estate, but directly to the joint tenant. So, the value of the land flowing to that person did not flow through the dutiable estate of the deceased, and consequently no duty was paid on it.

In 1934 the law was amended notwithstanding that at that particular time there would have been countless numbers of certificates of title in regard to which the land was in joint tenancy. The amendments of 1934 were made retroactive because they applied to what had occurred in the past, although from what I can understand, I believe it was prospective in that the provisions did not come into operation until a certain date. However, when those provisions did come into operation they affected transactions which had occurred in the past.

Another example was the extension from one year to three years of the period in which gifts could be notionally added to the estate for duty. This amendment was effected by the former Government in 1966.

I have one more example which also applied when the previous Government amended the law in 1966. This amendment was to make dutiable shares held on the Canberra register. This of course affected transactions by which shares had come into the possession of persons in the past, subject to the new law as from the date of the coming into operation of the 1966 amendment.

Mr. O'Neil: But each case was changeable, was it not?

Mr. T. D. EVANS: Yes. The same applies to the amendment under discussion. What I am saying is that this law may well be retroactive in that what we are seeking to do will affect transactions which have occurred in the past; but the provisions will not come into operation until the day the Act is proclaimed. The same principle applied when the Government of which the Deputy Leader of the Opposition was a member changed the law in two respects in 1966 and when the Labor Government changed it in 1934.

Mr. O'Neil: The point is: Are the actions you are trying to catch changeable?

Mr. T. D. EVANS: Let us take the 1934 example.

Mr. O'Neil: Forget about that. I am talking about now.

Mr. T. D. EVANS: Let us deal with the more modern amendments made in 1966 under which if a person had taken shares on the Canberra register, the law operated from the beginning of the 1966 amendment and operated retroactively on those transactions of the past.

I made the point when dealing with paragraph (o) during the second reading debate—and naturally it flows on from what I have to say now—that whilst the change will be retroactive, it will not operate until a given date in the future. Assuming the Bill is passed, that date will be the 1st January, 1974. I had indicated in argument that this is not restrospective legislation. It may well be retroactive legislation. If the legislation comes into operation on the 1st January, 1974, time would be available—I am not saying how much time—in which people who felt the need to do so could rearrange their affairs.

It is understood that the time lapse between the passage of this Bill and the 1st January, 1974, may not be sufficient to enable people who desire to do so to rearrange family company planning. As I have indicated, I am prepared to move an amendment in respect of paragraph (o) to stipulate that its provisions will not come into operation for one year after the coming into operation of the other provisions of the Act. Normally this will be the 1st January, 1975.

The Leader of the Country Party and the member for Wembley raised the point about the rearrangement of family company schemes. It was said that a double charge or double form of taxation would result in so far as stamp duty had been paid on the original scheme and further duty would be required to be paid under the new scheme.

The member for Wembley doubted whether the commissioner could take into consideration the stamp duty which had already been paid. I indicated that I thought the commissioner could. This point has been researched and the advice from the Parliamentary Counsel confirms the opinion I expressed in the Chamber.

Mr. R. L. Young: Under what part does that come?

Mr. T. D. EVANS: I will have to check that out in the Bill. I make the point that the matter has been checked and the belief I expressed has, in fact, been confirmed. Indeed, the commissioner not only has the power but is required to take into consideration past stamp duty.

Mr. R. L. Young: That would be under clause 10 (2) (p).

Mr. T. D. EVANS: Yes, but there is a general clause whereby the commissioner not only has the power but I believe is required to take the action I have mentioned.

Mr. R. L. Young: This was the Gorton case?

Mr. T. D. EVANS: That is right.

Mr. R. L. Young: Is the Assistant to the Treasurer sure that the same situation applies in regard to gift duty paid by a

company of which the deceased may not even have been a member at the time of death? Is the Minister absolutely certain that this has been checked out? I do not think it is applicable.

Mr. T. D. EVANS: The point is covered in another note and I will deal with it as I move on, because I think it is more appropriate to deal with this at a later stage. I move an amendment—

> Page 2, line 15—Delete the word "This" with a view to substituting the passage "Subject to subsection (4) of this section, this".

The acceptance of this amendment by the Committee will facilitate my moving a machinery amendment to delay the coming into effect of the paragraph (o) provisions until after the other provisions of the measure come into effect.

Mr. R. L. YOUNG: The intention of the amendment just moved is to give a moratorium of 12 months to any person who has arranged his affairs in accordance with the situation covered by clause 10 (2) (o). The arrangements under that paragraph have been discussed at great length in debate—probably for longer than any other provision in the measure.

Together with other members on this side of the Chamber, I have pointed out to the Assistant to the Treasurer that some of the provisions coming within the ambit of paragraph (o) simply cannot be altered by the stroke of a pen.

I claimed that the legislation would be retrospective, but the Assistant to the Treasurer has used the word "retroactive". In fact, it will catch people who cannot rearrange their affairs.

The Assistant to the Treasurer referred to similar action taken by a Liberal-Country Party Government in the past, and he did concede that similar action had also been taken by a Labor Government in the past.

Mr. T. D. Evans: I made the point that two such amendments had been made by a previous Liberal-Country Party Government.

Mr. R. L. YOUNG: That is what I said. A previous Liberal-Country Party Government made two retroactive amendments to taxation legislation. One of them was to amend this very kind of legislation, whereby a gift previously made within one year of death, was caught within the ambit of the legislation at that time on the ground that it had been made within three years of death.

The Assistant to the Treasurer also referred, I assume, to catching people who, for the purposes of stamp duty, had arranged their affairs in such a way as to purchase shares on the Canberra exchange.

Previously a person had to live only one year for death duty on a gift to be avoided. Subsequently a person had to live three years. I readily admit this is something I would not have agreed to at the time.

If the Assistant to the Treasurer was, in fact, talking about stamp duties in regard to the Canberra exchange, I say that such transactions for the purchase of shares under a stamp duty arrangement would not necessarily come into the category of retroactive legislation, unless the Minister is talking about death duty. I cannot see how death duty can be tied up with this. However, I will leave it at that for the moment.

I will concede one point in relation to the retroactivity of the amendment to which the Assistant to the Treasurer has just referred. I have not had the time to check it out but if the position is as the Minister says it is, that is one case of retroactivity. I do not agree with it and I would not have agreed with it at the time.

We are debating something infinitely more important than that. The death duty legislation will catch people who have entered into arrangements over many years. In saying this, I am referring not only to the aspect of life governor shares, as the Minister pointed out, or to the superannuation funds to which I referred and which will be irretrievable and irrevocable, but also to such matters as professional partnership life assurance policies to purchase goodwill on the death of a partner. It is quite possible under this legislation that a person could be double taxed. On the one hand he could be taxed for death duty under paragraph (o) on the arrangement he entered into by virtue of the life assurance policy to purchase goodwill and, on the other hand, the goodwill he owned at the date of his death would also be assessed and he would be taxed on that value.

There are many other cases covered by paragraph (o) and I have pointed out some of them. I would be interested to hear the Assistant to the Treasurer's comments on the point I made that, on a strict interpretation, even a person's mortgage could be added to the estate. This is possible by virtue of the verbiage alone if, in fact, the mortgage had been taken out under a contract which demanded that the outstanding amount be paid on the death of the person who took the mortgage.

Many matters are covered under this particular paragraph, not the least of which are the life governor shares and the superannuation situation.

It is simply not good enough to say that a previous Government introduced retroactive legislation at some time in the past, in order to justify introducing such provisions into legislation with which we are now dealing. I have said this *ad*

nauseam in this place. It is my opinion and certainly the opinion of the majority of members on this side that it is simply not good enough to say that something has been done in the past and, therefore, there is justification for doing it now or at any time in the future. Surely the idea of framing legislation in this place is to make it as fair and just as possible.

Mr. T. D. Evans: I did not use that argument. I said it is just to do this now. The member for Wembley raised this matter and I went back and found precedents, but I was not relying on them.

Mr. R. L. YOUNG: Throughout the entire debate the Assistant to the Treasurer has tried to justify retroactivity of legislation. The member for Boulder-Dundas has done this, too, but as he is not in the Chamber at the moment perhaps it is unfair to refer to him. Both have tried to justify it on the basis that the measure is designed to effect what is reasonable for a number of people. Members on this side have advanced the argument that it is not good enough to pick out two or three clauses in the Bill which are reasonably good and then to say that the measure is reasonable because of that nucleus. Swinging around that nucleus are many provisions to which we object. It is simply not sufficient, in justification of a measure, to say that there is one thing good about it.

This is what the Assistant to the Treasurer has done throughout the whole course of the debate. He has said that the legislation may cause retroactivity; it may come back onto people's estates; and it may come back onto other areas which are irretrievable and irrevocable.

Mr. T. D. Evans: However, with prospective application.

Mr. R. L. YOUNG: The plain fact of the matter is that the legislation will go back on arrangements entered into.

Mr. O'Neil: Irrevocable arrangements.

Mr. R. L. YOUNG: The Assistant to the Treasurer has admitted this in the speech he has just delivered. The use of the word "retroactive" is no real defence against my charge of retrospectivity. Also, the fact that previous Governments have taken similar actions on one or two occasions in respect of the death duty legislation is not good enough to justify this kind of legislation.

Mr. T. D. Evans: I did not use that by way of justification.

Mr. R. L. YOUNG: The only other justification is that the Bill, as a whole, is supposed to be designed to achieve a "balance"—I think the Assistant to the Treasurer used that word—between people. This is not the position when we read all the clauses of the measure.

Mr. J. T. Tonkin: It is the position. It will effect very substantial improvements. The honourable member cannot expect to hang onto all the advantages derived previously and obtain all the new provisions as well. That is the whole situation.

Mr. R. L. YOUNG: I think the Premier has summed up what I was about to say. He did it infinitely better than I could have done, because he has been in the Parliament longer. The Premier said that it is necessary to give something away to gain one advantage, which is contained in the measure. That is what the Premier said and he cannot take it out of *Hansard*.

Mr. J. T. Tonkin: I did not say, "to gain one advantage".

Mr. R. L. YOUNG: There is only one advantage.

Mr. J. T. Tonkin: The measure represents a considerable improvement and it will cost the State money.

Mr. R. L. YOUNG: There is only one advantage to the average taxpayer. Even so, I have pointed out to the Assistant to the Treasurer that he may have muffed that. An amendment will be made when the Bill is recommitted to clean up the situation which I pointed out to the Assistant to the Treasurer. The Premier will have to listen to that.

Mr. J. T. Tonkin: The Assistant to the Treasurer is far more generous than I would have been.

Mr. R. L. YOUNG: It is not a case of the Assistant to the Treasurer being generous because the measure, as drafted, would have been infinitely more generous than the Premier or the Assistant to the Treasurer intended had I not pointed out to the Assistant to the Treasurer in Committee the pitfalls under clauses 23 and 24.

Mr. T. D. Evans: Wait until you hear the explanation.

Mr. J. T. Tonkin: There are always pitfalls in taxation legislation.

Mr. R. L. YOUNG: It is not good enough to justify the legislation on the basis just used by the Premier. It is recorded in *Hansard* for posterity that he said "some good things"—I say, "one good thing"—"will apply under this Bill to the average taxpayer and anything else contained in the Bill is justifiable on that basis". This clause is not justifiable. We have argued our point for a long time in Committee. We have said it is unjust and we have pointed out just what can happen under subclause (2) of clause 10. We have pointed out what a commissioner may do in years to come acting under the instructions of a Treasurer of a different type. We have pointed out that it is a diabolical provision, and that this attempt to provide a moratorium of 12 months is not good enough.

People who have acted within the law as we have framed it had a perfect right to do so. The commissioner also has a perfect right to use the Act as he sees fit. Both the commissioner and the taxpayer have the right to interpret the Act as it is written and as the law defines and interprets it.

Mr. J. T. Tonkin: That is a most remarkable statement to make. You say that you have the right to interpret the Act as it pleases you.

Mr. R. L. YOUNG: I said, "as the court interprets it".

Mr. J. T. Tonkin: No, you said, "This person is entitled to interpret it, and that person is entitled to interpret it."

Mr. R. L. YOUNG: I said, "as the law interprets it." The commissioner has the right to interpret it as he sees it.

Mr. J. T. Tonkin: He has the right to interpret the law as it is.

Mr. R. L. YOUNG: Nobody knows what the law is. The commissioner can interpret the law according to the verbiage of the Act as he sees it. His interpretation can then be tested in the courts. The taxpayer has the right to interpret the Act as he sees it, and this can be tested in the courts. The courts are above this place, the commissioner, and the taxpayer. I am saying that very few courts will interpret the legislation as not being capable of doing whatever a commissioner wants to do with it. That is our objection.

It is not good enough to apply a moratorium for 12 months to allow people to amend their affairs.

Mr. T. D. Evans: Are you going to oppose the amendment?

Mr. R. L. YOUNG: I am certainly going to oppose it. Taxpayers have the right to arrange their affairs under the law as they see it at that date. If we wish to make an amendment at some particular time, we simply word the legislation to take effect as from the date of the second reading of the Bill. It is not good enough to apply a provision retrospectively with very important matters like this. Taxpayers may have paid out thousands of dollars to the State in gift and stamp duties and the State wants to get them again. The Assistant to the Treasurer ought to see the light and accept the amendments moved by this side of the Chamber during the Committee debate. The provisions of this clause should become effective only from the date of the second reading of the Bill.

The CHAIRMAN: The honourable member has two minutes.

Mr. R. L. YOUNG: Thank you, Mr. Chairman. I do not intend to use the two minutes, but I wish to state again we are absolutely opposed to the amendment. Now that the clause has been recommitted for the purpose of considering clause 10 (2) (c), I take it I will be in order to move again the amendment I moved to this clause during the Committee debate.

Mr. McPHARLIN: Apparently the Assistant to the Treasurer has given some thought to lessening the impact of the proposed legislation by extending the time to one year in relation to company structures entered into prior to this legislation coming into force. I presume this means one year from January, 1974.

In my view the amendment does not go far enough in relation to the life governor shares. These shares will still be subject to asessments of revaluations as was indicated earlier, and they will not be allowed to remain, as we believe they ought to remain, assessable as under the present legislation. I say this because of the gift and other duties which have already been paid on the shares. An amendment of this nature does not alleviate the situation in respect of these shares except to give people who have entered into such company structures an opportunity to rearrange their affairs, probably at considerable cost.

Like the member for Wembley, I cannot support the amendment. I believe the provision in the Bill should be deleted, as we tried to do earlier.

Mr. T. D. EVANS: When speaking before moving this amendent, I indicated that at the second reading stage it was apposite that the stamp duty which had previously been paid on arrangements setting up these planning schemes should be taken into consideration subsequently at the time of death where the life governor proposals had a dutiable effect. The member for Wembley doubted whether the existing law, or in fact, a provision in the Bill, would enable the commissioner to take this into consideration. I now draw attention to clause 26 which reads as follows—

> 26. (1) Where for the purposes of this Act property the subject matter of a gift or settlement is comprised in the estate of the person by whom the gift or settlement was made, there shall be deducted from the duty that, but for this section and sections 27 and 28, would be assessable in respect of that estate—
>
> (a) the amount of the *ad valorem* stamp duty paid under the Stamp Act, 1921, in respect of that gift or settlement; or
>
> (b) the amount of duty assessable in respect of that property,
>
> whichever is the lesser amount.

Members may read the rest of the clause for themselves.

Mr. R. L. YOUNG: I am afraid I missed perhaps the first 20 seconds of the reply of the Assistant to the Treasurer. Certainly his last remarks bore no relationship at all to the clause. We are not arguing about the Gorton situation under paragraph (p).

Mr. T. D. Evans: I am referring to the point raised by way of preamble to the amendment before the Chair. At that time I said the Bill contained this provision, but I could not lay my hand on the appropriate clause. I have now found it.

Mr. R. L. YOUNG: With respect, I do not think the Assistant to the Treasurer could have spent more than five seconds in reply to my queries as I left the Chamber for a glass of water. Without having his wisdom, I can only work on a mathematical basis and say that he cannot have answered them.

Mr. T. D. Evans: There was nothing new to answer.

Mr. R. L. YOUNG: When the day comes when there is nothing to answer—

Mr. T. D. Evans: I said, "There was nothing new to answer."

Mr. R. L. YOUNG: I am sorry. The Assistant to the Treasurer asked me, by way of interjection, whether I was going to support the amendment. I told him I was not. This is not because I believe the amendment will make the clause any worse, but because I believe the amendment does not go far enough. I am on my feet now to put this point.

The amendment will improve the clause inasmuch as it will allow people 12 months to arrange their affairs. However, it does not alter the basic philosophy of the clause one iota. It does not change the fact that we are going back to arrangements made years ago. I am sorry the Assistant to the Treasurer has seen fit to move this amendment. All we can do is to oppose the amendment purely on the basis that it does not go far enough.

Amendment put and a division taken with the following result—

Ayes—22

Mr. Bertram	Mr. Hartrey
Mr. Brady	Mr. Jamieson
Mr. Brown	Mr. Jones
Mr. Bryce	Mr. Lapham
Mr. B. T. Burke	Mr. May
Mr. T. J. Burke	Mr. McIver
Mr. Cook	Mr. Norton
Mr. H. D. Evans	Mr. Sewell
Mr. T. D. Evans	Mr. A. R. Tonkin
Mr. Fletcher	Mr. J. T. Tonkin
Mr. Harman	Mr. Moiler

(Teller.)

Noes—22

Sir David Brand	Mr. O'Connor
Sir Charles Court	Mr. O'Neil
Mr. Coyne	Mr. Ridge
Mr. Gayfer	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Hutchinson	Mr. Sibson
Mr. A. A. Lewis	Mr. Stephens
Mr. W. A. Manning	Mr. Thompson
Mr. McPharlin	Mr. R. L. Young
Mr. Mensaros	Mr. W. G. Young
Mr. Nalder	Mr. I. W. Manning

(Teller.)

Pairs

Ayes	Noes
Mr. Bickerton	Mr. E. H. M. Lewis
Mr. Davies	Dr. Dadour
Mr. Taylor	Mr. Blaikie

The CHAIRMAN: The voting being equal, I give my casting vote with the Ayes.

Amendment thus passed.

Mr. T. D. EVANS: I move an amendment—

> Page 2, line 15—Substitute for the word deleted the passage "Subject to subsection (4) of this section, this".

Amendment put and passed.

Mr. T. D. EVANS: I move an amendment—

> Page 2—Insert after subclause (3) the following new subclause to stand as subclause (4)—
>
> (4) Notwithstanding subsection (3) of this section, paragraph (o) of subsection (2) of section 10 does not apply to or in relation to the death or estate of any person dying within one year after the date of the coming into operation of this Act.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 5: Definitions—

Mr. R. L. YOUNG: During the previous Committee stage I moved an amendment to the definition of "dependent child" which was not agreed to. The Assistant to the Treasurer pointed out that he would accept another amendment which I was not prepared to move. In order that the philosophy of the argument I advanced at that time will be contained in the Bill, I intend to move another amendment.

The definition at present refers to children under the age of 16 years, and those under the age of 25 years and receiving full-time education at a school, college, or university. I propose to include apprentices. My reason is that apprentices in most cases certainly do not attend schools, colleges, or universities; and if any do attend those institutions they certainly do not do so on a full-time basis. Yet apprentices in the first three years of their training receive such a small amount of money that they are in fact dependent children of the taxpayer.

Perhaps the amendment I moved previously was not sufficiently clear. I move an amendment.

> Page 4—Insert after paragraph (b) the following new paragraph to stand as paragraph (c)—
>
> (c) who is under the age of twenty-five years and is employed as an apprentice under an agreement of apprenticeship.

Mr. T. D. EVANS: As indicated previously, I have no objection to the amendment and I recommend to the Committee that it be accepted.

Amendment put and passed.

Mr. T. D. EVANS: During the second reading debate the member for Wembley raised the question of whether under clauses 22 to 25 the Government's intention of doubling the concessions to beneficiaries would be exceeded. I gave an example which was furnished to me by the commissioner, and which I had taken some considerable time to examine. After examining it I was left in no doubt at all that no more than was intended would flow to beneficiaries. However, because the member for Wembley was of the opinion that the matter should be checked by counsel I referred it to the commissioner, who referred it to the Parliamentary Counsel. I am advised that both those gentlemen are of the firm opinion that the existing clauses could not be interpreted in the way the member for Wembley suggested. However, in order to put the matter beyond doubt an amendment has been drafted to clause 5 in respect of the definition of "final balance".

The amendment is intended to make it plain that the final balance referred to in clauses 22 to 25 includes the value of dutiable property before the deductions allowed under those clauses are applied. I move an amendment—

> Page 5, line 7—Insert after the word "Act" the passage "(calculated by reference to the value of that property before the deduction of any amount that may be deductible from the value of that property under section 22, 23, 24 or 25)".

Mr. R. L. YOUNG: I take it that if we are not happy with the amendment the Assistant to the Treasurer would be happy to leave it out.

Mr. T. D. Evans: I do not think there is a real need for it. It has been included to satisfy you. If you want it you can have it.

Mr. R. L. YOUNG: I pointed out to the Assistant to the Treasurer during the previous Committee stage that I thought clauses 22 and 23 would double the amount of deductions that he thought the Bill would achieve. I do not claim to be right; I am just trying to find out whether or not I am right.

Mr. T. D. Evans: Both the Commissioner of State Taxation and the Parliamentary Counsel claim your interpretation is wrong, but this amendment is expected to cover the situation and to remove any doubt at all.

Mr. R. L. YOUNG: Let me point out that I made it abundantly clear to the Assistant to the Treasurer previously that I would be very happy to leave the situation as it is. This amendment is in no way attributable to me. In no way is it something I wanted to be included. I drew it to the attention of the Assistant to the Treasurer because I thought he had done in regard to concessions that which he had done on a number of occasions in the Bill in regard to assessability.

I would prefer the Assistant to the Treasurer to make it clear to the Committee—and this is important; I am not being facetious—that this amendment is not presented at my behest, but rather because it is necessary. If it is not necessary, then on behalf of all the people in Western Australia who would like the opportunity to have a fairer shake of clauses 22 and 23 when they become law, I would rather that the amendment be defeated.

Mr. T. D. EVANS: As I indicated, the member for Wembley raised a doubt regarding the operation of clauses 22 and 23 and said it would be to the advantage of the Treasurer of the day to seek counsel as to whether the operation of the clauses would result in greater concessions flowing to beneficiaries than was intended. Because the point was raised the matter was taken back to the commissioner who, in turn, discussed it with the Parliamentary Counsel. Both gentlemen are of the opinion that an amendment is not really necessary. However, I make the point that the member for Wembley having raised the matter in this Chamber could well herald the fact that the same point may be raised in another place. I have moved the amendment in order to avoid any doubt, and I intend to sustain it.

Mr. R. L. YOUNG: I just want to say that I am certain there is no chance of this point being raised in another place. I regret the Assistant to the Treasurer has not said that the amendment is essential. I think it is essential, and I think he knows it is.

Mr. T. D. Evans: I made the point that it was not brought about at your request.

Mr. R. L. YOUNG: On behalf of the taxpayers of Western Australia who would otherwise get a double deduction, I will vote against the amendment.

Amendment put and a division taken with the following result—

Ayes—22

Mr. Bertram	Mr. Hartrey
Mr. Brady	Mr. Jamieson
Mr. Brown	Mr. Jones
Mr. Bryce	Mr. Lapham
Mr. B. T. Burke	Mr. May
Mr. T. J. Burke	Mr. McIver
Mr. Cook	Mr. Norton
Mr. H. D. Evans	Mr. Sewell
Mr. T. D. Evans	Mr. A. R. Tonkin
Mr. Fletcher	Mr. J. T. Tonkin
Mr. Harman	Mr. Moiler

(Teller)

Noes—22	
Sir David Brand	Mr. Nalder
Sir Charles Court	Mr. O'Neil
Mr. Coyne	Mr. Ridge
Mr. Gayfer	Mr. Runciman
Mr. Grayden	Mr. Rushton
Mr. Hutchinson	Mr. Sibson
Mr. A. A. Lewis	Mr. Stephens
Mr. E. H. M. Lewis	Mr. Thompson
Mr. W. A. Manning	Mr. R. L. Young
Mr. McPharlin	Mr. W. G. Young
Mr. Mensaros	Mr. I. W. Manning
	(Teller.)

Pairs	
Ayes	Noes
Mr. Taylor	Mr. Blaikie
Mr. Davies	Dr. Dadour
Mr. Bickerton	Mr. O'Connor

The CHAIRMAN: The voting being equal, I give my casting vote with the Ayes.

Amendment thus passed.

Clause, as further amended, put and passed.

Clause 10: Property comprised in estate for purposes of this Act—

Mr. T. D. EVANS: My next amendment refers to clause 10 (2) (c). I forecast that the member for Wembley will agree to vote for my amendment. When speaking to this part of the clause at the second reading stage the member for Wembley queried the inclusion of the word "and" to link subparagraphs (i) and (ii). He pointed out that the word should provide an alternative, and should not make one as an addition to the other.

The point raised by the honourable member has been examined. It has been in the law since 1934. Apparently in 1934, some sweeping amendments were made to death duties, and this provision was inserted at that time. It has been lifted from the Administration Act and the provision has been in that Act since 1934.

However, Parliamentary Counsel agrees with the member for Wembley that on rare occasions an anomaly could arise. Incidentally, the present commissioner tells me that in all his experience he has not seen a power of appointment passing through his office. Parliamentary Counsel is of the opinion that an anomaly could arise, as suggested by the member for Wembley.

The effect of the amendment, if accepted, will be that where the power was given more than three years before the death, and no income was received from the property by the deceased within three years of his death or the donee exercised power within three years before the death, the value of the property will not notionally be included in the estate. I therefore move an amendment—

> Page 10—Delete subparagraph (i) and the word "and" which follows that subparagraph, and substitute the following subparagraph and word—
>
> (i) the power was given not less than three years before the death of the deceased person and that the deceased person did not receive any of the rents, dividends, interest, or any other income from the property at any time within three years before his death; or

I repeat my forecast that the member for Wembley will agree to the amendment.

Amendment put and passed.

Mr. T. D. EVANS: I do not intend to move an amendment to clause 10 (2) (e), but I did indicate I would offer an explanation. Under the existing law—and this point was raised by the member for Wembley—the cross-assignment by partners, and the assignment by a father to his son in certain circumstances, are now subject to duty, known as succession duty. I cannot see any reason why these transactions should be completely exempt. At present they are subject to succession duty at a reduced rate.

The proposition put forward by the member for Wembley was to exempt this type of transaction from any duty. I cannot see that this is equitable at all. I make this explanation to let the member for Wembley know that the point he raised has been examined.

Mr. R. L. YOUNG: The Assistant to the Treasurer has suggested quite rightly that I wanted these types of transactions to be completely free of duty. The reason is that the Government of the day has chosen to abolish succession duty completely; and therefore there is no such duty to which these policies can be subjected under the legislation before us. For that reason I suggested they should be exempt from death duty in accordance with the provisions of the Bill; that is, death duty should be assessable in accordance with the Death Duty Assessment Act.

On a number of occasions the Minister said that we on this side referred to the assignment of life assurance policies. The fact of the matter is that he claimed many people were at present caught for succession duty where their estates fell below the $15,000 limit; and that where they will not have to pay any duty at all from now on, they did in the past pay succession duty because these estates still fell within the succession duty provision.

If the Minister is serious about his suggestion it would be simple to write into this Bill or into the taxing Bill a clause to this effect: In the event of the estate of a person not achieving a final balance of $15,000 no succession duty will be payable.

Mr. T. D. Evans: We have dispensed with succession duty completely.

Mr. R. L. YOUNG: That is so. Succession duty is a duty at a very minimal rate assessable on certain separate items of settlement, notional property, etc., which in no way bear any relationship to death

duty within the meaning of the Act, because death duty under the Act imposes a much higher rate than does succession duty.

If the Assistant to the Treasurer is serious in his argument it would be an easy matter to retain succession duty under the Death Duties (Taxing) Act, and to prescribe that the estate of any person which does not reach $15,000 but which still contains items that are subject to succession duty will not be subject to succession duty.

The provision before us has been used as a lever for including in the death duties certain settlements which should not be included. I have gone into this aspect in great detail already. The reasons given by the Assistant to the Treasurer are not satisfactory.

Mr. T. D. EVANS: I now turn to clause 10 (4) which was dealt with by the member for Wembley. I indicated I would obtain some explanation. I would point out that I do not intend to move an amendment. The only point I wish to make is to clarify some aspects of subclause (4) and of subclause (2) (f). Briefly, paragraph (f) exempts any property settled by the deceased within three years before his death; and subclause (4) covers only the substitution of property originally settled or added to by the settlor. Those words are material. The addition must take place within three years; so, subclause (4) covers the substitution of assets for the original assets, plus any that have been added by the settlor, and not by any other person.

Perhaps the member for Wembley did not cover the full significance of the operation of subclause (4), because I take it he was referring to the additions made by any person. Such an addition must be made by the settlor, and not by any other person.

Mr. R. L. YOUNG: The explanation given by the Assistant to the Treasurer is not correct. Subclause (4) is very clear. It is as follows—

> For the purposes of paragraph (f) of subsection (2) of this section the property the subject matter of a settlement shall be deemed to include the proceeds of the sale or conversion of and all investments for the time being representing any such property and all property which has in any manner been substituted for property originally the subject matter of that settlement.

A settlor can create a trust by settling $100 on a trustee in trust for a beneficiary, and the trustee can invest that $100 in any way he sees fit. The point I made was that the amount settled by the settlor could grow to a considerable sum of money even in a short period of three years, under exceptional circumstances.

The Assistant to the Treasurer claimed that only the property settled by the settlor—

Mr. T. D. Evans: I refer the member for Wembley to paragraph (f) which I think spells it out loud and clear—"made by the deceased person"; not by any other person.

Mr. R. L. YOUNG: Paragraph (f) might well say that, because it has to refer to something, and it refers to a settlement made by a settlor. But subclause (4) of clause 10 interprets what paragraph (f) shall go on to mean, and that subclause clearly states that if the particular property is converted into another property, and acquires a completely different value, then the estate of the settlor will be assessed for value at the date of death of the settlor at the enhanced value of that particular property, regardless of what it had been converted into.

With all due respect to the Assistant to the Treasurer, the interpretation put on paragraph (f) is true, but not when read in relation to subclause (4). That particular subclause is very explicit and indicates the value which can be placed on a settlor's estate at the time of death.

Mr. T. D. Evans: The reference is to a property, the subject matter of settlement referred to in paragraph (f).

Mr. R. L. YOUNG: But I ask the Assistant to the Treasurer to read the next words—"shall be deemed to include". I object from that point on.

Mr. T. D. Evans: Brought about by the hands of the settlor, and by no other person.

Mr. R. L. YOUNG: That is not true; the Assistant to the Treasurer is better trained than to make that statement. If he reads the whole of the provision he will see that what he says is not true. The subclause goes on—

> —shall be deemed to include the proceeds of the sale or conversion of and all investments for the time being representing any such property and all property—

That does not sound like the original property referred to in paragraph (f), which is any property the subject matter of a settlement made by the deceased person. To continue subclause (4)—

> —which has in any manner been substituted for property originally the subject matter of that settlement.

Mr. T. D. Evans: At the hands of the settlor.

Mr. R. L. YOUNG: With all due respect to the Assistant to the Treasurer, it refers to the trustee who has converted the property into something different.

Mr. T. D. Evans: No other person at all.

Mr. R. L. YOUNG: That is what I have been trying to tell the Assistant to the Treasurer. Once a settlor makes a settlement it has gone as far as he is concerned. The trustee can convert it into any sort of property he likes which could have some greatly enhanced value at the date of death of the settlor.

Let us take, for example, a situation similar to that in relation to the Poseidon shares. Let us assume that a settlor has settled a trust on his grandson, and made his son the trustee. The son could purchase as many shares as possible under $1 each with that measly $1,000. Within a period of six months the shares could reach a value of $280 each and the settlor, who is no longer part of the contract, could die and under the arrangements by which the sum of $1,000 was invested his estate could be caught for hundreds of thousands of dollars-worth of assets to which he has no right or entitlement. His estate will be assessed with the acumen and ability to assess a situation which belongs entirely to the trustee.

That is the point I was trying to make. The subclause, read in conjunction with the paragraph, does not stand up to the explanation given by the Assistant to the Treasurer. It is as clear as crystal that the settlor is the person who settles and gets out. The trustee is the person who will create the property which will be added back to the estate. I do not think the explanation given by the Assistant to the Treasurer was a very good one.

Mr. T. D. EVANS: The advice I have given on this occasion is consistent with that which I gave during the second reading. This point was drawn to the attention of the Parliamentary Counsel and he, on this occasion, provided the advice I have given.

Mr. R. L. Young: You know it is wrong.

Mr. T. D. EVANS: My next amendment refers to subclause (9) of clause 10. The member for Wembley raised the matter of superannuation funds, and pointed out that a person might not necessarily be financially dependent upon a deceased person, but there could have been some moral claim by that person on the deceased estate. I think the member for Wembley would agree that the case he cited would appear to be a very rare one but, nevertheless, it might well arise even though the commissioner has not been able to find any such instance.

I indicated to the member for Wembley that I would be prepared to consider an amendment. I also indicated that I would meet his objection regarding the exercising of discretion by the commissioner. The exercising of discretion by the commissioner would be subject to appeal to the Supreme Court, but only as to whether the commissioner had, in fact, exercised his discretion in a dutiful manner. If the judge came to the conclusion that whilst the commissioner had exercised discretion he had come to the wrong conclusion the judge would not have the power to overrule the decision of the commissioner. I made the point that I was prepared to dispense with the requirement that there shall be a discretion vested in the commissioner but at the same time I was not prepared to have a lesser term for assistance flowing from one person to another.

The amendment which I have on the notice paper goes further and also makes provision for a common law wife. I move an amendment—

> Delete subclause (9), line 38 on page 16 down to and including line 3, page 17.

Mr. R. L. YOUNG: I thank the Assistant to the Treasurer for having another look at this subclause. The rights of a person to have his estate free from death duties under certain payments from superannuation funds was certainly not broad enough. I do not consider that this amendment is sufficiently broad, but it is broader than it was and for that reason I intend to support it.

In the past many superannuation funds have been free of death duty and many, in the future, will also be free of death duty. However, there will be exceptional circumstances which are not covered by this clause and they will not be free from death duty. I have outlined such situations on at least five occasions and I do not intend to go any further than that.

Amendment put and passed.

Mr. T. D. EVANS: I move an amendment—

> Page 16—Substitute the following for the subclause deleted—
>
> (9) (a) For the purposes of this Act the estate of a deceased person does not include any amount payable to—
>
> (i) a widow, widower, dependent child, or dependent parent of the deceased person; or
>
> (ii) any person who was financially dependent upon the deceased person at the date of the deceased person's death,
>
> under a *bona fide* superannuation or pension scheme or arrangement.
>
> (b) In paragraph (a) of this subsection "widow" and "widower" in relation to a deceased person include as the case may require, a person who although not legally married to the deceased person—
>
> (i) lived with the deceased person on a permanent and *bona fide* domestic basis immediately before the deceased person's death, if the deceased

person leaves any dependent child who is the child of their union; or

(ii) lived with the deceased person on such a basis for not less than three years immediately before the deceased person's death, if the deceased person does not leave any such dependent child.

I make the point that these latter provisions are taken from the workers' compensation legislation—the existing law.

Amendment put and passed.

Clause, as further amended, put and passed.

Clause 12: Deduction of certain legacies, etc., in calculation of final balance—

Mr. T. D. EVANS: During the second reading debate the member for Wembley asked whether some flexibility could be written into the Bill to allow the Treasurer of the day to extend the operation of this clause to any deserving organisation not already covered. I indicated I had no objection and that I would have the matter examined and, accordingly, I move an amendment—

Page 19, line 2—Delete the passage "person." and substitute the following passage—

person;

(j) any body, institution, or purpose, which the Treasurer, in his absolute discretion, considers to be of a charitable or public nature.

Amendment put and passed.

Clause, as amended, put and passed.

Clause 26: Reduction of duty in certain cases where stamp duty has been paid—

Mr. T. D. EVANS: The debate on this clause harks back to the debate on paragraph (p) of subclause (2) of clause 10. The argument was advanced that while the clause would effectively prevent an avoidance scheme, in effect it would result in double taxation because documents associated with the scheme could already have been subject to stamp duty. I stated that the duty should be deductible under clause 26. The member for Wembley had some doubts about it and I undertook to have the matter examined.

In my view, no doubt exists, but better counsel has prevailed and an amendment has been designed to remove any doubt at all. On this occasion Parliamentary Counsel seems to agree with the member for Wembley rather than with me. I move an amendment—

Page 29, line 16—Insert after the word "settlement" the passage ", or of a disposition to which paragraph (p) of subsection (2) of section 10 applies,".

Mr. R. L. YOUNG: I think I owe the Minister an apology. I mentioned this amendment during the Committee stage, and I am glad the Parliamentary Counsel agrees with me. Earlier in the recommittal stage the Minister may have been referring to the law as it would stand with this amendment, and I thought he was referring to the law as it stood at that time. I said I doubted whether the gift duty would be refundable. If this amendment is carried, it will be refundable.

Amendment put and passed.

The clause was further amended, on motions by Mr. T. D. Evans, as follows—

Page 29, line 18—Delete the words "or settlement" and substitute the passage ", settlement, or disposition".

Page 29, line 24—Delete the words "or settlement" and substitute the passage ", settlement, or disposition".

Clause, as amended, put and passed.

Clause 49: Ascertainment of value of debts—

Mr. T. D. EVANS: I would like to make an explanation in regard to clause 49, which refers to the ascertainment of the value of debts. This is the situation where property can be sold at a price but no money changes hands. The payment of the loan or debt is postponed and no interest is charged. The current practice is that if the loan is outstanding at death, it is not the full loan which is taken into consideration but a discounted property.

Clause 49 seeks to change the law to provide two types of exemption which are contained in subclause (2) on page 43 of the Bill. The member for Wembley raised the query whether the provision should contain the word "or" or the word "and". My advice is that the word "or" guarantees the extension of the exemption which the honourable member believes should apply. If the word "and" is substituted it will be more difficult for the exemption to operate in the interests of the persons of whom the member for Wembley spoke. I do not believe he will insist upon any amendment to clause 49.

Clause put and passed.

Further Report

Bill again reported, with further amendments, and the report adopted.

WHEAT INDUSTRY STABILIZATION ACT AMENDMENT BILL

Second Reading

Debated resumed from the 14th November.

MR. McPHARLIN (Mt. Marshall) [9.38 p.m.]: The Bill before us is designed to amend the Act in order to continue the present wheat stabilization scheme for

another 12 months. The original agreement in 1968 was for a period of five years, which has been the normal term for wheat stabilization agreements since their inception 25 years ago. The reason for the decision to extend the agreement was to enable a detailed examination to be made of stabilization arrangements and so it became necessary to introduce amending legislation into the House of Representatives and all State Parliaments.

It became necessary for a Bill of this nature to be introduced into all the Houses of Parliament because the Minister for Primary Industry in the new Federal Government was not fully informed and did not have a complete understanding of the wheat stabilization scheme—how it worked, why it was introduced in the first place, how important and necessary it was, what it meant to those who have taken part in the scheme for many years, and what it meant to the country. He therefore asked the Wheat Growers' Federation —which is the representative body of wheatgrowers in Australia and makes recommendations to the Minister—to consider holding off for 12 months so that he could have a good look at the wheat stabilization provisions in an endeavour to formulate a new scheme. We all hope the new scheme will be at least as good as those which have been operating over the past 25 years and that it will provide the security we have enjoyed in that time.

Some people have reservations about the matter and wonder what form the new scheme will take—whether it will be as good as the previous schemes and whether conditions will be attached to it. Without the stabilization scheme and the security it gave, a great number of wheat farmers would not be on their properties at the present time. The scheme is regarded by other primary industries as the best marketing scheme in existence, and it is cited as a model for other primary industries in the sale of their produce. It has been mentioned many times in discussions on orderly marketing in the wool industry.

Mr. H. D. Evans: It was good Labor legislation, too.

Mr. McPHARLIN: I know it was introduced when a Labor Government was in office, but no scheme is perfect when it is first introduced. No matter what scheme is placed on the Statute book, it will always contain some "bugs" which must be ironed out, and the legislation is improved over a period of time. That applies to any scheme which is introduced and any scheme which the Minister in this State may be considering at the present time.

Reservations have been expressed about the new scheme to be formulated by the present Federal Minister for Primary Industry. Only recently it has become known that a negotiated sale was being made to a country to which we have sold wheat previously. That country has been in conflict with another country. As a result of its marketing and commercial experience, the Wheat Board urged that caution be exercised and that consideration be given to not making a sale to that particular country. The Minister overruled the board and said, "You will sell to that country because I am telling you to do so and that is my decision." The Wheat Board had to bow to the authority of the Minister, who was invoking a provision in the Act which had never been used before. No previous Minister has invoked section 13 (3) of the Act. No Minister has seen fit to use that section in previous years, and although the provision exists it was never intended that the Minister should at any time direct the board in the conduct of wheat sales to any country. However, that was done; and we have men on the Wheat Board—

Mr. H. D. Evans: Be fair. Say why it was done and give the background.

Mr. McPHARLIN: One could say that we have had previous sales to this country, and that we have sold on credit.

Mr. H. D. Evans: And an agreement was made.

Mr. Gayfer: As to the quantity, and not the price.

Mr. H. D. Evans: There was a commitment.

Mr. McPHARLIN: But the circumstances then were vastly different; it was a country at war.

Mr. H. D. Evans: At the time of underwriting the cease-fire had been on for at least 36 hours.

Mr. Grayden: The Federal Government should be responsible for the entire amount.

Mr. McPHARLIN: The other point is that it has left the wheatgrowers to carry the risk.

Mr. H. D. Evans: Do you object to the underwriting of the sale to Bangladesh?

Mr. McPHARLIN: The wheatgrowers carried 25 per cent. of the risk. It would have been fair to those growers had the Federal Government accepted the full responsibility; but, no, it saw fit not to do that. Surely the Wheat Board has a great deal of expertise in marketing. It has done a tremendous job over the years. Surely if it makes a decision that the risk is too great and that the contract should not be entered into it would do so on the basis of having far greater knowledge than the Minister.

Mr. H. D. Evans: But then you have the issues of international relationships and other matters which are no concern of the Wheat Board. Surely this becomes a matter for the Federal Government.

Mr. Gayfer: Are you using wheat as a political weapon?

Mr. W. G. Young: Are you using it as a political weapon just as the Arab countries are doing in respect of oil?

Mr. McPHARLIN: I think this reflects the attitude of the Federal Minister and the philosophy of the Federal Government. After all, this is the produce of the wheatgrowers. One could ask the question: To whom does the wheat belong? Does it belong to the Minister or to the growers?

Mr. H. D. Evans: Do you object to the underwriting of the Bangladesh deal?

Mr. McPHARLIN: We have always maintained that the wheat belongs to the wheatgrowers, subject to their just debts. I think this action reflects the attitude and the philosophy of the Federal Government. It intends to take control of these commodities and to implement its policies to the detriment of the growers where and when it sees fit. I think we have justifiable reason to criticise the Federal Government for its action. Its attitudes are detrimental to the wheatgrowers.

This raises the point once again of why wheatgrowers throughout the whole of Australia have some reservations about the sort of treatment they may receive under any proposals for a new wheat stabilization plan. We have seen the dictatorial attitude of the Federal Government. Can any wheatgrower feel confident that the Federal Minister will accept the recommendations of the Australian Wheat Growers' Federation?

The Minister for Agriculture said today that the Minister for Primary Industry had called a special meeting of the Australian Agricultural Council to take place on the 7th December to discuss a new wheat stabilization plan which will take effect from the 1974-75 season. I only hope that the Minister for Primary Industry has listened to the Australian Wheat Growers' Federation. I hope he has accepted the recommendations it has made regarding the acceptance of a new five-year wheat stabilization plan. Since the inception of the stabilization plan the industry has always agreed that the plan should be for five years.

Those who are vitally concerned with the industry and those who have been in the industry for many years and have experience of the past firmly believe that five years is a fair term for any stabilization scheme to operate.

A scheme operating for a lesser period could adversely affect the industry with regard to capital investment decisions. It would also have an adverse effect on long-term economic planning and farm management. The industry wants the five-year term in order to allow farm management to be thoroughly planned and to enable farmers to invoke the most recent technology available to give them maximum production.

Under the last five-year plan, which commenced in 1968, it was agreed the life of the Wheat Board would be seven years so that it would extend for two years after the expiry of the scheme. I think this is a good point for the Minister to keep in mind when he goes to meet the Minister for Primary Industry. We do not suggest that any alteration should be made to the operating life of the Wheat Board.

I come now to guaranteed prices. In the last 12 months or so we have seen a great upsurge in the price of wheat. It was not so very long ago that we saw prices being stabilized and a great degree of subsidisation of the industry. If the new season's suggested prices are obtained we will see the industry paying many millions of dollars into the stabilization scheme. Growers producing over a certain figure will pay so much a bushel into the scheme, and with the prices being mentioned at present it is anticipated that something like $45,000,000 will be paid into the next stabilization scheme by wheatgrowers.

The guaranteed price is usually calculated to provide a fair margin of profit to the growers, and takes into consideration many factors which I do not need to go into at this juncture. The factors are all thoroughly examined by responsible people. The Bureau of Agricultural Economics conducts a survey and its findings are presented to the Australian Wheat Growers' Federation which examines them in detail and endeavours to arrive at a price which gives wheatgrowers some margin of profit and the federation believes will give the farmers the necessary incentive to carry on in the industry and not divert from it into other attractive industries.

The price is calculated to ensure that the production of wheat in Australia will be sufficient to meet the amount we need to keep our overseas markets. Our sales of wheat are one of our most substantial sources of export income, and they contribute to the economy of our State.

One aspect of the price of wheat is, I think, not very well known; I refer to the cost of freighting wheat to Tasmania. It has been agreed that that cost should be built into the sale of wheat for home consumption in Australia. So the wheat sold within Australia for home consumption carries a cost factor to allow for the cost of sending wheat to Tasmania. The cost does not seem to be great, and it has been approved over the years.

There are other aspects of the wheat stabilization scheme which have caused some concern over the last few years with the advent of wheat quotas. One is, of course, the matter of unauthorised sales of wheat across the border. This does not happen in Western Australia, but it occurs in other States and it has caused a great deal of concern to wheatgrowers and to

the Wheat Board. Not only do such unauthorised sales have a detrimental effect on the structure of the wheat stabilization plan, but under section 92 of the Commonwealth Constitution it is most difficult for the Wheat Board successfully to prosecute those involved. The producers concerned have filled their quotas and have had over-quota wheat. The receiving authority has indicated that it cannot handle the over-quota wheat and so it is disposed of over the borders. The producers concerned could claim that because the receiving authority does not want the over-quota wheat they are justified in disposing of it. I understand this is called the grey market. Considerable quantities of wheat have been sold in this fashion and I believe consideration has been given to the matter. The Australian Wheat Growers' Federation has made investigations and is now making recommendations to the Minister in an attempt to prevent unauthorised dealings in wheat.

Amendments with which I think the Minister would be familiar have been suggested to the Act, and they will be discussed when the new scheme is before the Agricultural Council.

Mr. H. D. Evans: If quotas were suspended the problem would be obviated, of course.

Mr. McPHARLIN: Yes, that is so. Perhaps the Minister could tell us if there is any indication that wheat quotas will be suspended.

Mr. W. G. Young: I should say that is subject to the next Bill.

Mr. McPHARLIN: I could refer to other matters in respect of the proposed new stabilization scheme with which the Minister would be well aware. I could refer to the financing of the operations of the Australian Wheat Board, the minimum carryover of stock levels, the altered definition of "f.a.q.", and so on; and I could go into them in detail. However, I will leave those matters for the moment and refer back to one or two other items.

I refer firstly to the price per bushel which has been recommended by the Australian Wheat Growers' Federation. On Wednesday, the 21st November, I asked the following question of the Minister for Agriculture—

> (10) What is the guaranteed price of wheat being asked for by the Australian Wheatgrowers' Federation?

That is included in the submissions being made by the federation to the Minister. The answer was—

> (10) and (11) $2 per bushel, in bulk, on F.O.B. basis for 250 million bushels exported.

If the Federal Minister sees fit to recommend that guaranteed price to the Federal Cabinet, and the Cabinet and the Treasurer agree to it, I think it would be quite acceptable and many wheatgrowers would be pleased with it. I only hope that when the Minister for Agriculture attends the meeting with the Minister for Primary Industry he will insist that the recommendations of the Australian Wheat Growers' Federation are agreed to, because the price of wheat in other countries of the world is far above $2 a bushel. Some months ago in Canada growers were receiving something like $3 a bushel.

I then asked—

> (14) What is the suggested home consumption price of wheat submitted by the Australian Wheatgrowers' Federation?

The answer was—

> (14) Approximately $1.93 per bushel, F.O.R. at ports, for all home consumed wheat for 1973-74.

That seems to be a reasonable figure, in view of the assessments and calculations that have been made. That is the figure it is hoped to obtain for the home consumed wheat.

The Bill itself is not lengthy; in fact, it is quite short and it does not put forward a great number of amendments. With a view to extending the term of the agreement, one of the amendments seeks to substitute the word "seven" for the word "six" in section 6 of the principal Act and, similarly, to substitute the word "five" for the word "four". The Bill also seeks to add new section 21AA which refers to the home consumption price and the export price of wheat. The home consumption price of wheat will be ascertained in accordance with the provisions of this proposed new section. Another subsection of this proposed new section also seeks to reimburse the board for the cost of shipping wheat to Tasmania and that the price shall be increased by 37c per tonne.

Other amendments in the Bill propose to delete the word "bushels" and substitute the word "tonnes". One amendment seeks to increase the penalty from $5 per bushel to $200 per tonne. As the Minister explained during his second reading speech, in using the metric system the penalty is being imposed in round figures at $200 a tonne instead of at $183.72 a tonne, this amount being the direct conversion. I do not think there will be any opposition to that amendment because the operation of the penalty is simpler when expressed in round figures.

Other amendments will seek to provide that the home consumption price and the guaranteed price in 1968 will be updated in accordance with the examination by the wheat index committee. This is also the price suggested by the Australian Wheat Growers' Federation. I can only hope the Minister insists on these prices

and does what he can to have them approved. The action taken by the Minister will be watched with a great deal of interest by many people, because at the present time a farmer's cost of production is increasing rapidly. Not only is the cost of his machinery increasing to a great extent, but in view of the fact that most of the farming areas are in remote parts labour is not only difficult to obtain but is also very costly.

Therefore it is only fair that when consideration is being given to what price shall be paid for wheat all these increased costs should be taken into consideration. I would emphasise that labour represents a vital factor in the cost of producing wheat.

I return to the claim by the Minister for Primary Industry when he said he was correct in ordering the sale of a consignment of wheat to Egypt.

Mr. Taylor: What has this to do with the Bill?

Mr. McPHARLIN: It relates to the Wheat Industry Stabilization Act and that covers a very wide field.

Mr. Taylor: I doubt whether the Bill covers that field.

Mr. McPHARLIN: What I am about to say has some impact on it. Perhaps my remarks may be a little away from the Bill, but I think this aspect is important. So concerned was the former Minister for Trade and Commerce—and I refer to the Leader of the Country Party (Mr. Anthony)—that his party made a bid to amend the Wheat Industry Stabilization Act because it strongly believed it was not the intention under the Act that a Minister should direct sales of wheat in the way they were directed. Therefore the members of the Country Party attempted to amend the Act in such a way as to prevent any Federal Minister dictating policies to the Australian Wheat Board. Any wheatgrower would be fearful of a Federal Minister who desired to dictate policy to the board. To what extent the bid made by the Country Party has been successful, I do not know.

The principal reason for the introduction of this Bill is that the Federal Minister of the day, following the change of Government, did not have sufficient information, knowledge, or understanding of the industry and so he requested that the Wheat Growers' Federation should hold off for 12 months to enable him to examine the situation. Let us hope that advantage can be taken of a dramatic upturn in the price being obtained for wheat as a result of a world shortage of many grains, and that a scheme will be agreed to which will take into account the higher costs that have to be met by those engaged in the industry and the increase in costs throughout the whole economy of Australia. Let us hope the Minister will not endeavour to use any standover tactics or adopt a dictatorial attitude in an endeavour to give the industry something less than it is requesting in its submissions.

The Wheat Growers' Federation has agreed to give the Federal Minister more time to review the situation. Some time has elapsed since that decision was made and therefore the Minister has had ample opportunity to examine details and talk to the officers of the Bureau of Agricultural Economics and his own department. He should now be able to produce some solution that is fairly substantial. When the Ministers from all the States—particularly the Minister from this State—attend that meeting the onus will be on each and every one of them to ensure that wheatgrowers in every State will obtain the best deal and receive what has been requested by the Wheat Growers' Federation.

The Federal Government has had time to look at the matter and there should be no further need for procrastination. A scheme should be established so that wheatgrowers can look ahead and realise that they can plan for the future, because the scheme will have a marked effect on the whole economic system of the Commonwealth in view of the fact that if a reasonable decision is made it will mean that many country centres will remain in existence.

We on this side of the House agree to the Bill because we realise the necessity for it. Today I asked the Minister a question without notice because there were rumours in Canberra that the Minister was going to take action very quickly and it was not necessary to proceed with the present Bill. For that reason I asked the Minister whether he had any information on the matter, and his information was that it was necessary to go ahead with the Bill. I accept his assurance and therefore I do not oppose the measure, but I again emphasise that there is great responsibility on him when he leaves this State to attend the proposed meeting, representing the wheatgrowers of this State, to ensure the security and stability of the wheat industry of Western Australia.

MR. GRAYDEN (South Perth) [10.12 p.m.]: Orderly marketing is, of course, vital to the wheat industry and to that extent this is an important Bill, but in every other respect it is insignificant. It is insignificant in respect of its size, and the Minister obviously feels it is insignificant because he made a relatively short speech when introducing it. The measure is certainly insignificant as far as growers are concerned because it will mean that it will not be a question of the Government stabilizing the price of wheat and giving something to the growers, but in all probability the effect will be exactly

the opposite; it will be the growers who will be contributing to the stabilization fund.

We hear many statements from Labor members as to the so-called tremendous contributions Governments have made over the years to the wheat stabilization fund. Recently I think the Prime Minister mentioned the figure of $200,000,000, but at the same time he did not mention that wheatgrowers have contributed an amount far in excess of that figure. I think it was the member for Roe who mentioned, five years ago, that the figure contributed by the wheatgrowers at that stage was about $312,000,000. In any event it was a very large sum.

Under the provisions of this Bill which seeks to extend the provisions of the Wheat Industry Stabilization Act for a further 12 months, in all probability it will be the wheatgrowers who will contribute further moneys to the fund and it certainly seems probable that the Government will not be making any contribution. Therefore the Government is not being generous in bringing forward legislation of this kind. We know that when the last wheat stabilization agreement was made five years ago it was agreed to stabilize the special home consumption price at $1.70 a bushel. With provision for small variations the price on the home market is now $1.8406.

Mr. H. D. Evans: Do you think the Government should be paying into the fund at present?

Mr. GRAYDEN: I am not suggesting that; I am just making the point that the Minister is introducing a Bill to extend the wheat stabilization agreement for a further 12 months and if it is passed the contributions will not be coming from the wheat stabilization fund, but from the wheatgrowers themselves.

The contributions will be coming from the wheatgrower. That is the point. The home consumption price is in the vicinity of $1.84. Under the stabilization scheme the export price arrived at is now $1.45 per bushel for 200,000,000 bushels. The actual price reached was $1.51, or in that vicinity. We do not know what the actual figures will be for the forthcoming year because they will not be arrived at until about the 30th of this month. Some figures have been bandied about, including a price of $1.60. I presume it will be in this vicinity. On those figures, if it is $1.60 that would make the stabilized price at $59.20 a tonne, or thereabouts.

The price of a recent wheat sale was about $3.85 a bushel, and converted to tonnes that is $142.45 a tonne. Under the stabilization agreement all the Government will guarantee the growers is $59.20 a tonne, so there is little possibility that the Government will be required to contribute to the stabilization fund. That was the point I wanted to emphasise at the outset. The Government is not being generous by extending the terms of the agreement. It will be the poor grower who will have to contribute to the fund.

The Federal Minister for Primary Industry (Senator Wriedt) is reported in *The West Australian* of the 17th May as follows—

> Senator Wriedt said today that under the 12 month extension, 200 million bushels of export wheat would be protected by a guaranteed price of $1.60 a bushel—about 4c a bushel above the present guarantee.
>
> If the world price fell below the guarantee, the Government would make up the difference.
>
> If export prices during the 1973-74 season exceeded the guarantee plus 5c a bushel, wheatgrowers would contribute to the stabilisation fund with a maximum contribution of 15c a bushel.

Another matter of concern to me is the apparent hostility of the Federal Labor Government to the wheat industry. For some time now Federal members have been making comments in respect of wheat and invariably those comments have been hostile in the extreme. For instance, the Prime Minister (Mr. Whitlam) when in Adelaide made a statement on the subject, reported as follows in *The West Australian* of the 13th June, 1973—

> Mr. Whitlam said in Adelaide that there would have to be cuts in some areas of Government spending in order to carry out election promises.
>
> There was not enough money to do everything that Labor had promised and also all the things that the previous Government did.
>
> He said: "We cannot bring in a Budget unless we discontinue some of the things that our opponents brought in, which we never promised and which we opposed.
>
> "In the past 12 years, $300 million has been spent on wheat stabilisation. . . .

So we can see from that comment the Government's intentions regarding the pruning of Federal expenditure in order to pay for some of the promises the Labor Government has made. As a form of economy he was looking at the Wheat Industry Stabilization Fund. He said that over the past 12 years $300,000,000 had been paid into the fund. We can see that the Prime Minister's comment was hostile.

Prior to that, the Minister for Primary Industry made a statement along the same lines, as revealed in the following

article in *The West Australian* on the 13th April, 1973, and headed, "Big change in wheat price policy"—

> The Australian Minister for Primary Industry, Senator Wriedt, announced in Paris yesterday that there would be sweeping changes in Australia's wheat price policy.
>
> He said that the open-ended guaranteed wheat price would end.
>
> However, he said that the ending of the scheme did not mean the end of Government involvement in the wheat industry.

Without any question at all that was another hostile statement. The Federal Government is looking extremely suspiciously at wheatgrowers throughout Australia. Those wheatgrowers already have been grievously affected by currency valuations and other Government action which has resulted in escalated costs and the removal of the taxation concessions. The Federal Government is apparently not content with the effect of these actions on the primary producers which have almost priced them out of the industry. It is now looking askance at the wheat stabilization scheme which has been in force in this country since 1948, and is regarded by all wheat producers everywhere as being vitally necessary to the industry. Yet in this atmosphere the Federal Government is looking askance at the scheme, and the comments of the Minister for Primary Industry and the Prime Minister clearly indicate a hostility by that Government towards the wheat industry.

The Bill before us is, of course, merely extending the old scheme. However, when the new scheme is introduced, growers can expect virtually anything to happen.

The Federal Government has been in office for 12 months during which time it has not had an opportunity to formulate an effective stabilization scheme. It has acted promptly on legislation in other directions, but 12 months has not been sufficient time for it to sort itself out in respect of wheat stabilization. So at the end of almost 12 months the Federal Government has had to introduce legislation simply to extend for a further 12 months the provisions of the present scheme.

The Federal Government has been extremely remiss in failing to carry out during the previous 12 months the examination it proposes to carry out during the next 12 months. If it had not been hostile to the wheat industry it could have formulated an acceptable scheme as a result of which tonight we would have been discussing legislation supplementary to the Commonwealth legislation for a new stabilization scheme. That is not the position because the Federal Government has been remiss in this area. As I mentioned earlier it is without any question at all obviously hostile to wheat producers. The reason is plain. The Federal Government accepts recommendations from unionists in the industrial areas of Melbourne and Sydney, but could not care less what happens to the wheat producers throughout Australia.

Another matter which concerns me is the way in which the Federal Government is mixing politics with trade; and the Leader of the Country Party touched on this subject. If contracts are granted for political reasons they can be broken equally easily for political reasons. Just before the beginning of the year we had the spectacle of China entering into an agreement with Australia in respect of wheat, and then offering to break the contract if it would help the Labor Party to be returned to the Treasury bench. What an extraordinary situation that was! I repeat: The Chinese Government entered into a contract and then, because it thought it might help the Labor Party to be returned to office, it said it would break the contract. So we know that politics are being mixed with trade and when this occurs, all sorts of things can happen.

Mr. Bertram: Wars for example, like in Vietnam.

Mr. GRAYDEN: We can see what has happened in Egypt. For political reasons the Federal Government instructed the Australian Wheat Board to go ahead with a deal with Egypt, but as a consequence of the situation in the Middle East the board wants to be paid in cash and not sell on terms. When the Federal Government gave that instruction it put the onus on the wheatgrowers of Australia to accept 25 per cent. of the responsibility if the deal goes bad. What sort of an extraordinary situation is that?

Mr. H. D. Evans: Wheat has been sold on terms before. Would you tell us the extent of the guarantee on previous contracts under previous Governments?

Mr. GRAYDEN: That is not the point at all.

Mr. H. D. Evans: I think it is a very valid point.

Mr. GRAYDEN: If the Federal Government wants to go ahead in those circumstances, let it do so by all means; but let it accept full responsibility for payment in respect of that wheat. Let the people of Australia accept the responsibility. Why single out one section?

Mr. H. D. Evans: Subsequently in Bangladesh it was 90 per cent.

Mr. GRAYDEN: The Federal Government put the onus on those individuals to bear 25 per cent. of the cost if a loss occurred.

Mr. H. D. Evans: Did the previous Governments give a guarantee on wheat sold on extended terms?

Mr. GRAYDEN: I do not think that is the point.

Mr. H. D. Evans: It is a very valid point. You are being very critical, yet sales were made on terms previously.

Mr. GRAYDEN: Wheat is to be sold to Egypt even though the board thinks it is a bad risk, and now the wheatgrowers must cough up 25 per cent. if the money for the wheat is not forthcoming. No-one anywhere in this country under any circumstances could justify an action of that kind.

Mr. H. D. Evans: What guarantee was there on wheat sold on terms before? You are saying that in this case 25 per cent. will be borne by the wheatgrower. What was the situation before? In Bangladesh it was 10 per cent.

Mr. W. G. Young: The Australian Wheat Board used its commercial judgment—the body elected by the growers.

Mr. H. D. Evans: In Bangladesh the same applied. The principle of guarantee is there.

The SPEAKER: Order!

Mr. GRAYDEN: It is a silly sort of situation when the Australian wheatgrower must meet 25 per cent. of the loss if it transpires that the Australian Wheat Board's fears were well based. The point I make is that nobody can justify action of that kind.

Mr. H. D. Evans: Can you tell the House what they were up for on previous sales to Egypt?

Mr. GRAYDEN: I am not interested in that, but in this point.

Mr. T. J. Burke: The wheatgrower will receive 75 per cent. of the value, not bear 75 per cent. of the loss.

Mr. GRAYDEN: The wheatgrower will bear 25 per cent. of the loss.

Mr. H. D. Evans: Under the previous Government, what percentage did the wheatgrower have to stand when this was done?

The SPEAKER: Order!

Mr. GRAYDEN: I find that some Federal members have made extremely strange statements in respect of wheat. I refer to a statement by Dr. Cairns in the *Weekly Times* of the 17th October, 1973, headed, "China Deal Means Bumper Returns" as follows—

> Australia's big wheat deal with China will assure growers of bumper returns over the next three years.
>
> The contract to supply China with 173 million bushels between now and 1976 will be worth at least $600 million—maybe closer to $700 million.

Later the article states—

> Although no official price details have been released, Trade Minister, Dr. Cairns, has put a $600 million valuation on the deal.
>
> Dr. Cairns said that the $600 million mark could be passed if price levels remained at their present high.
>
> At the moment, the ruling world price for wheat is about $3.50 a bushel.

These kinds of statements are made, but no price has been negotiated. No-one knows what will happen or what China will do in respect of wheat.

The SPEAKER: The honourable member is getting a little away from the Wheat Industry Stabilization Act Amendment Bill.

Mr. GRAYDEN: I do not know that I am. We are dealing with a wheat stabilization scheme and I am simply saying that the future is fraught with all sorts of dangers to the wheatgrower. We know that Russia has produced record crops this year. I refer to a statement in the *Farmers' Weekly* of the 15th November, 1973, as follows—

> The US Department of Agriculture last week announced its estimate of 1973 Russian grain production to be a record 215 million metric tons, indicating that the world wheat crop now could be in balance with demand.

That is an extraordinary statement to emanate from the United States Department of Agriculture. Prior to that statement being made, another article appeared in the *Weekly Times* of the 10th October, 1973, describing the situation in China. The article is under the heading, "Big Chinese Wheat Crop" and reads as follows—

> China has claimed that it is producing enough grain to feed its more than 700 million people.
>
> Peking's Hsinhua News Agency, in a broadcast monitored here said total grain output soared from 110 million tons in 1949 to 240 million tons in 1972. During the same period, output of industrial crops, forestry, animal husbandry, sideline occupations and fishery rose between two and a dozen times.
>
> China had a good harvest every year from 1962 to 1971.

The SPEAKER: As far as I can see, this has nothing to do with the Bill before the House.

Mr. GRAYDEN: With due respect, I say it has a good deal to do with any stabilization scheme. Both China and Russia have record crops. The Australian Government is entering into an agreement with China and promising the world to the wheatgrowers of Australia, although China is producing enough wheat for its own population. In addition, strange as it may seem, China is buying wheat on the world markets and is even buying as much as it can from the United States. At the same time as China is producing sufficient wheat for its own people, it is also selling wheat extensively in the African and Arab countries.

How do we judge what will happen in such a situation? Some people talk in terms of a world shortage of wheat. This seems inconsistent with the fact that both Russia and China are self sufficient as far as wheat production is concerned. China is busily buying grain on the American market and disrupting that country's economy.

Mr. J. T. Tonkin: What is the honourable member trying to prove?

Mr. GRAYDEN: Dr. Cairns has made extravagant statements that wheat sales to China will be a fabulous advantage to the Australian wheatgrowers. I am suggesting his statement is more than a little nebulous, because anything could happen.

Mr. J. T. Tonkin: The member for South Perth is not trying to prove anything!

Mr. GRAYDEN: I am pointing out that anything can happen as far as the wheatgrowers are concerned. What they need is a stabilization scheme of consequence and not something like the measure which is being debated tonight. This Bill simply seeks an extension of 12 months for something that has been in operation for five years. In view of what is happening throughout the world it is essential that we should have a stabilization scheme of consequence in Western Australia.

Despite the need for such a scheme, Federal Ministers move around the countryside making statement after statement which indicate innate hostility towards the industry. This is what I am protesting about. There is not much point in my continuing.

Mr. Bertram: Does the honourable member support the Bill?

Mr. GRAYDEN: I will support the measure, because an extension of 12 months is better than nothing.

Mr. H. D. Evans: Do you think the research should have been undertaken in the last year of the old scheme? I do.

Mr. GRAYDEN: This is the last year. The scheme does not cease until the end of this month.

Mr. H. D. Evans: Do you agree it should be done?

Mr. GRAYDEN: The Federal Government has been in office since last December and, during that period, research could have been undertaken.

Mr. H. D. Evans: Research by whom?

Mr. GRAYDEN: If the Federal Government had been interested in the wheat industry it would have carried out the necessary research. It moved swiftly in many other directions but not in respect of a wheat stabilization scheme, which it will hold over until the future.

In all probability the Australian wheatgrower will not have the vaguest idea until another 12 months have elapsed as to what stabilization scheme will be introduced. During this period the wheatgrower will not know where he is going.

I have read to the House the reports of record crops in Russia and China and I have mentioned that China is buying from America. It is buying not only from Australia but, I repeat, America and disrupting that country's economy because the Americans do not have enough grain to sell to their traditional customers. China is doing that and whilst it is buying throughout the world it is also selling grain. What sort of situation is this? What security is afforded the wheatgrower? How can the wheatgrower know what he will receive for his grain in 12 months' time?

Those are the points I wanted to make. I support the measure, because I have no option. Stabilization is vital to the wheat industry and, because of this, the measure will have to be supported.

I repeat that I am extremely critical of what the Government has done to the wheat industry. It has failed to come up with an acceptable stabilization scheme and I view with the greatest concern the innate hostility of the Federal Government, particularly towards the wheat industry.

MR. W. G. YOUNG (Roe) [10.39 p.m.]: Like the member for South Perth, I rise to support the measure because I think half a loaf is better than no loaf at all. That is the effect the measure will have, because it simply extends the traditional five-year guarantee which has been in existence since 1948. This measure will prolong its life for a further 12 months.

I am a little apprehensive that this might be the last half loaf unless we look at it very carefully. The Minister for Primary Industry has seriously neglected many parts of our primary sector. Prior to the 2nd December we heard many promises about how quickly we would have a wool acquisition scheme. Such a scheme is very similar in concept to the wheat stabilization scheme. Twelve months have gone by and the Minister for Primary Industry has admitted he is not committed to wool acquisition. He has said this on many occasions—both in public and to me personally.

Mr. H. D. Evans: Let us see you tie this to the Bill.

Mr. W. G. YOUNG: This could be a cover up. After 12 months the policy seems to be, "Let the system of orderly marketing, as we have known it for 25 years, fall apart."

The Minister interjected some time ago when the member for South Perth was making a point in regard to the price of wheat and the amount that the wheatgrowers would pay into the stabilization scheme this year. The Minister asked the

member for South Perth whether he thought the Government should be contributing at this time. Here and now I would like to remind the Minister that the wheat industry is supporting the Australian public to the extent of $80,000,000. That statement is based on the fact that at the present time in Australia housewives are virtually buying wheat for flour at the $1.93 per bushel home consumption price, if this agreement continues. Currently, wheat is selling on the world market at something like $3 per bushel. Therefore, if the Australian housewife had to pay the world parity price, the wheatgrowers would receive an extra $80,000.

Mr. H. D. Evans: The wheatgrowers are probably supporting the coarse grain growers too.

Mr. W. G. YOUNG: Yes. Not only are the wheatgrowers subsidising the housewives, but also the chicken meat producers by supplying cheap stock feed. This amounts at present to approximately $60,000. Chicken meat producers are supplied with 30,000,000 bushels of wheat for stock feed at a cheaper price. I understand the new home consumption price and the stock feed price will be comparable. This amounts to $110,000 which the Australian wheat producer is putting into the pockets of the Australian public through cheaper bread, cheaper chicken meats, pig meats, as well as other produce from feed grain.

We find now that the Australian wheat producers will be committed to finding some $45,000,000 for the stabilization scheme this year, 1973-74, and a further $35,000,000 in 1974-75. This is to make a maximum contribution by the wheatgrowers of $80,000,000 for stabilization. I think the Minister's question as to whether the Government should be doing its share of contributing can be very easily answered by the fact that already the wheatgrowers of Australia will be asked to put $155,000,000 of their money into the stabilization of wheat during the next 12 months. They will assist the consumers in Australia, and in anybody's book it is a fairly sizeable amount which will not be going into the wheatgrowers' pockets.

The member for South Perth referred to the numerous other ways the farmer is being affected adversely by the Federal Government. It is seeking to remove many of the tax concessions which have been the incentive for the farmer to produce this type of grain so that the Australian consuming public is subsidised to this extent. Not only is the wheat producer subsidising the public directly out of his own pocket, but also he is a very large employer of labour. We all know that the labour component on the farm itself has decreased considerably, but this has been offset by the machinery content. Most wheat farmers now use a great deal of machinery, and this has brought about an overall efficiency on the farms. The farmer uses his machinery very skillfully and in this way he has reduced the labour content of his operations.

These machines must be built, and several men are employed in their production. The farmer now uses many different types of superphosphate. In years gone by, wheat was produced with only one type of superphosphate. We now find superphosphate manufacturers have diversified, thus increasing employment.

More people are employed in the transport industry because of the increased production of wheat. We therefore must see that the wheat industry is kept viable and is not subject to neglect by the Federal Government. At the moment the Federal Government is exhibiting a very short-sighted approach to the primary industry. Farmers must programme ahead: They cannot purchase machines to put in a crop for one year alone; they cannot invest money in land or ancillaries to grow wheat for 12 months. However, it seems that the Federal Government has decided it does not matter whether or not the farmer has any security. All the Government is saying is, "We will extend this scheme for 12 months."

The Minister said some time ago that perhaps the scheme should have been researched in the previous 12 months. This is what the argument is all about. The present scheme expires in November, 1973, and we have known that since 1968. The present Federal Government has been in office for 12 months—all but a few days—and yet it says that it has not had time to do anything about it. It also says it has not had time to do anything about wool. We now see that the Federal Government wants to extend the scheme for 12 months so that it can have another look at the situation. My fear is that perhaps it is looking for a way out and not for a way to see that the scheme is carried forward.

Mr. Gayfer: The Wheat Growers' Federation has done its homework.

Mr. W. G. YOUNG: My colleague, the member for Avon, says that the Wheat Growers' Federation has done its homework, and this is very true. Probably the Minister has a copy of the very comprehensive submission put forward by the federation. If the federation can do its homework in the preceding 12 months, surely the Minister, with all the facilities available to him, could have undertaken the same exercise and come up with a similar answer, either in an agreement or along the lines of the submission put forward by the Wheat Growers' Federation.

Some comments have been made tonight about the sale of wheat to Egypt. In this instance the Minister for Primary Industry came out against the commercial judgment of the Wheat Board which is empowered to sell the wheat on the growers' behalf. The members of the Wheat Board

are elected by the wheatgrowers, and in the past the board has made decisions on the sale of wheat, having regard for the interests of the industry; it has the wheatgrowers' interests at heart.

In the present sellers' market, the board can pick and choose to whom it sells. However, it was not allowed to do this. The wheat industry was directed that this wheat shall go to Egypt. The previous sale of wheat to Egypt, to which the Minister referred, was made in a buyers' market. At that time wheat was stored in the bins with no ready market. The Australian wheatgrowers were on quotas at the time. This was in 1968 when much surplus wheat was produced.

Mr. Taylor: In other words, the wheatgrowers were glad to sell the wheat.

Mr. W. G. YOUNG: Yes, the commercial representatives of the wheatgrowers were glad to sell it. They are not glad to sell wheat to Egypt at the present time. In the board's judgment, the time is not right to sell to Egypt. Other buyers were interested in the Australian product and it should be sold in the interests of the growers—the people who own the wheat. My leader made the point that it is the wheatgrowers who own the wheat.

The wheat is the property of the grower, and it is sold on his behalf by the Wheat Board. Therefore, if we elect the members of the board to handle our produce they should be left to use their commercial judgment regarding when and where the wheat shall be sold.

I do not think any of us condone the operation of the Arab countries in holding the world at large to ransom over oil supplies; and I think we could be in the same situation if we start to allow political interference in the grain or food markets of the world. We could be in the position of holding countries to ransom over the supply of grain.

This brings me to the point that has been made regarding the recent sale of wheat to Egypt, in respect of which the wheat farmers have been forced to accept 25 per cent. of the risk. The Government has accepted 75 per cent. of the risk, and the farmers are left with the balance.

Mr. H. D. Evans: Are you unhappy with the Government coming in on a risk basis?

Mr. W. G. YOUNG: If the Federal Government is going to dictate where the wheat must be sold against the advice of the elected representatives of the growers, and if it is going to become an operator in the market place, then it should accept all the risk because in fact it is buying wheat from the board and selling it to Egypt. The Federal Government has told the Wheat Board, "You shall sell the wheat"; but if it directs where the wheat shall be sold then it should pick up the tab for any risk.

This brings me to the point that we have a duty—and I was expressing this sentiment a moment ago—to see that grain for food is supplied freely on the world markets. The situation could arise of Australia being requested to supply wheat to developing countries that are not in a position to pay cash for it. It could be decided on humanitarian grounds that our wheat should be sent to such countries. In those circumstances I think the Government should be prepared to accept whatever risk is involved. It should not be left to the producer to act on behalf of the Australian public by taking the risk whilst the public obtains the benefit.

While we are discussing this 12-month extension of the wheat stabilization plan, I think we should consider the types and qualities of wheat we grow for sale on the world markets We have enjoyed for many years an Australian f.a.q. standard, and at the moment we have a sellers' market and we experience no difficulty in selling all the types that we grow. The four main types are as follows—

Australian standard white.
Australian prime hard.
Australian hard.
Australian soft.

Those are the types we currently sell overseas. When the Minister goes to discuss a further stabilization scheme I think some thought should be given to a price incentive to induce growers to produce mainly wheat which has the characteristics of the types I have mentioned. In the past we have experienced difficulty in disposing of our wheat on a buyers' market as a result of its protein content. I know great areas of difficulty exist in the segregation of wheat, particularly in respect of the storage facilities available at sidings in Western Australia. The member for Avon knows all about that and has referred to it many times in the House.

I think if some price incentive is offered to growers to produce wheat which falls into the categories I have mentioned we would soon find that the unpopular varieties which drag down our standard would disappear. This is something which could be written into the stabilization agreement in order to maintain a readily saleable product.

When the wheel turns—and those of us who have been involved in farming for any length of time know that although we are enjoying a period of ready saleability of our products there will come a time, as the member for South Perth mentioned, when China and Russia are self-sufficient—it will be to our advantage if we have a readily saleable product which can be disposed of to the best advantage of the growers.

We support the Bill because, as I said earlier, half a loaf is better than no bread at all. I hope the Minister can assure us

that the Minister for Primary Industry in Canberra has done his homework and does know where we are going. I hope he can let us know this in the immediate future, because it is of vital importance that farmers know as soon as possible what sort of agreement they will have.

Farmers must plan ahead. They cannot work on a yearly basis. They must plan well ahead; they must even plan some years ahead as to which paddocks they will plant. They cannot suddenly decide that the next year they will increase their acreage of wheat from one-third to one-half of their property. At the moment they are left up in the air with a scheme that will run for only 12 months.

We have before us the basis of the agreement put forward by the Australian Wheat Growers' Federation, and I hope it is accepted. I also hope that the price limits explained in the submission are not necessarily the accepted limits. I think the Minister for Agriculture should try to obtain the best possible price for producers in today's market place. If we are selling at strength then when we make an agreement we should make it at that strength. If the agreement is to be made shortly I think we should see that the Australian producer is granted the best possible price based on today's market. With those remarks, I indicate that I reluctantly support the Bill.

Debate adjourned, on motion by Mr. Gayfer.

House adjourned at 10.59 p.m.

Legislative Council

Wednesday, the 28th November, 1973

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

QUESTION WITHOUT NOTICE

INDECENT PUBLICATIONS ACT

Prosecutions

The Hon. S. J. DELLAR, to the Chief Secretary:

How many prosecutions under the Indecent Publications Act were made during the following periods—

(a) From March, 1959, to March, 1971; and

(b) from March, 1971, to the end of October, 1973?

The Hon. R. H. C. STUBBS replied:

(a) and (b) I wish to thank Mr. Dellar for giving me prior notice of the question. I have the figures to the end of October, but there are other figures since then which I am able to give.

From March, 1959, to March, 1971 there were 17 prosecutions under the Act. Ten charges out of the 17 were either dismissed or withdrawn. Thus there were seven convictions. Authority to prosecute was refused in one instance. From March, 1971, to the present time, 25 successful prosecutions have been instituted. Forty-six charges against the "Orgy Shop" have all been dismissed. Forty-one charges are part heard—with decisions pending. The Chief Secretary has authorised prosecution in a further 71 cases. These charges are now being prepared for court by Crown Law officers. Four additional matters have recently been submitted to the Chief Secretary and are still the subject of a pending decision as to authority to prosecute. Five more alleged offences are currently being prepared for submission to the Chief Secretary.

In the latter period from March, 1971, to the present time, 112 cases have been before the court. Authority has been given to prosecute 71 additional cases, but these have not yet reached the court.

QUESTIONS (5): ON NOTICE.

1. SHIPPING

Fuel: Oil Supplies

The Hon. D. J. WORDSWORTH, to the Leader of the House:

In view of the report that Kwinana Refinery relies heavily on Arabian oil, and that ships not normally bunkering at Western Australian ports are refuelling here—

(a) what arrangements has the Government made to ensure that—

(i) sufficient stocks are being maintained for ships due to arrive here to lift Western Australian exports;

(ii) sales are not being made on a first here, first served basis until supplies deteriorate;

(b) can sufficient stocks be guaranteed at Western Australian ports to ensure that shipping will be able to sail for Western Australia?

The Hon. J. DOLAN replied:

(a) (i) and (ii) No specific action has been taken because no emergency condition exists.