

can be done very simply by placing a control on the amplification equipment. I think this action is absolutely essential, although I would be the last person in this Chamber to interfere with the enjoyment or leisure time of young people. It is not very many years since I enjoyed myself in much the same way as they do, but I think it is in their best interests that action be taken to safeguard their hearing.

In the first speech I made in this House I directed myself primarily to the interests of young married people because I felt an empathy with them, and I still do. In the three years in which I have been the member for Perth and a member of this Legislature I have sought to promote their interests. I have also sought to look after those people who are in the later stages of life—the pensioners—who, in my considered opinion, are poorly treated in Australia.

We seem to overlook the pensioners and to take for granted many of the things that make life easier for ourselves. Without the pioneers and the people who were born even at the beginning of this century, and without their efforts and the deprivations they suffered in the early stages of the development of this country, we would be a lot worse off. In all my endeavours I will promote the interests of pensioners and those who most need the assistance of the Government.

On many occasions I have said that the ideology which directs Liberal Party Governments seems to ignore general welfare and the young who are the pride of our society. I am not arguing for private enterprise at the moment, but it has been said that a private enterprise system provides the jobs and everyone is all right. However, even with the provision of jobs many people are deprived and are in real difficulties. It has a snowballing effect. When a family is in difficulty, for one reason or another, the deprivation to which their children are subjected affects and inhibits their natural aspirations and their ability to take advantage of the gifts the good Lord may have given them.

The attitude and stand of this Government will be to encourage sharing by those who have had too much advantage in recent years, so that those of whom they have taken advantage will be given the opportunity to fulfil their aspirations. Under this Labor Government all Western Australians will be able to aspire to proper fulfilment in a free, equal, and fraternal society.

Debate adjourned, on motion by Mr. Jones.

*House adjourned at 9.37 p.m.*

## Legislative Council

Thursday, the 29th July, 1971

The PRESIDENT (The Hon. L. C. Diver) took the Chair at 2.30 p.m., and read prayers.

### CHIEF HANSARD REPORTER

#### *Retirement, and Appointment of Successor*

**THE PRESIDENT** (The Hon. L. C. Diver) [2.32 p.m.]: Honourable members, I wish to announce that at a meeting of the Joint Printing Committee held on Wednesday, the 28th July, 1971, the resignation of the Chief Hansard Reporter (Mr. G. Hale) was accepted with regret. Mr. Hale, whose resignation takes effect from the close of business on Friday, the 30th July, 1971 has been a reporter with *Hansard* since 1941. He was appointed Deputy Chief Hansard Reporter during August, 1958, and promoted to Chief Hansard Reporter in February, 1966.

At the same meeting, the Deputy Chief Hansard Reporter (Mr. J. A. Cox) was appointed Chief Hansard Reporter and will commence his duties in that capacity from the 31st July, 1971.

### QUESTIONS (5): ON NOTICE

#### 1. DAIRY FARM RECONSTRUCTION SCHEME

##### *Applications for Assistance*

The Hon. N. McNEILL, to the Leader of the House:

- (1) How many applications for assistance under the Marginal Dairy Farm Reconstruction Scheme have been made in Western Australia?
- (2) How many of such applications have been approved for the—
  - (a) purchase of additional land; or
  - (b) provision of additional capital improvements; or
  - (c) writing-off of redundancies?
- (3) How many applications have been—
  - (a) received; and
  - (b) approved for assistance in providing for—
    - (i) expanded butter fat production; or
    - (ii) diversification into beef or other production;
    - (iii) upgrading of properties to meet standards for licensed milk production; or
    - (v) any other purpose?

- (4) What amount of money has so far been drawn from the Fund allocated to Western Australia for the purposes of this Scheme?

The Hon. W. F. WILLESEE replied:

- (1) 238.  
 (2) (a) Nil.  
      (b) The Scheme does not provide for the financing of additional capital improvements.  
      (c) Nil.  
 (3) (a) 116 farmers have applied to buy additional land under the Scheme but have not specified the use to which they intend to put the land if they are successful.  
      (b) Nil.  
 (4) \$317,200.

## 2. LAND RESUMPTION

### *Garden Island Causeway*

The Hon. R. THOMPSON, to the Leader of the House:

- (1) Is the State Government responsible for the resumption of properties and the construction of roadways to service the causeway between Point Peron and Garden Island?  
 (2) If so—  
      (a) how many properties have so far been resumed;  
      (b) what has been the cost of resumptions to date;  
      (c) are any more properties to be resumed in the future for this work;  
      (d) if so, what is the anticipated cost of such resumptions;  
      (e) will any of these moneys be recouped from the Federal Government;  
      (f) has any agreement been entered into to provide roadways, etc., by this Government or by the previous Government; and  
      (g) if so, on what date?

The Hon. W. F. WILLESEE replied:

- (1) No.  
 (2) See No. (1).

## 3. HOSPITAL

### *Bridgetown Site*

The Hon. V. J. FERRY, to the Leader of the House:

Referring to his reply to my question on Wednesday, the 21st July, 1971, in respect of the Bridgetown Hospital—

- (1) Is the Minister aware of the considerable amount of detailed planning that had been

done over a lengthy period in an attempt to re-build on the existing hospital site?

- (2) Is he aware that the reason for the plans being discarded was because of the extremely difficult terrain on which the existing hospital is sited?  
 (3) Is he also aware that in recognition of—  
      (a) the difficulties of re-building on the existing site;  
      (b) the need to provide better medical facilities at Bridgetown; and  
      (c) the prolonged but unavoidable delays and disappointments occasioned to Bridgetown as per (2) above—

the previous Government agreed that a new site be purchased and a firm undertaking was given to programme the building of a new hospital without delay?

- (4) In view of the Minister's statement that the project has not a high priority and all available funds in 1971-72 will be required for more urgent work, does this mean that Bridgetown will have to wait a further one year, two years, five years, ten years or some other period of time, before an overdue modern hospital with facilities of an appropriate standard to service local needs can be provided?

The Hon. W. F. WILLESEE replied:

- (1) Yes.  
 (2) Yes.  
 (3) I am aware that the previous Government intended to build a new hospital when it appeared that funds would be available. Because of shortage of funds, any available money must be channelled to more urgent projects. The standard of hospital facilities at Bridgetown is reasonable.  
 (4) Not known.

## 4.

## TOURISM

### *Cossack*

The Hon. W. R. WITHERS, to the Leader of the House:

- (1) Has there been expenditure for tourist development or any other reason at Cossack in the past three years?  
 (2) If so, how much was spent on described projects?

- (3) If the answer to (1) is "no" are there any plans to develop this historic area?
- (4) Is there a caretaker at Cossack?
- (5) If so—
- is he a paid caretaker provided with accommodation;
  - is he periodically checked on to ensure that he is doing his job in a satisfactory manner; and
  - does he have fixed hours to be in public attendance?
- (6) If the answer to (4) is "no" is it the intention of the Minister for Tourism to install a caretaker?

The Hon. W. F. WILLESEE replied:

- Yes.
- \$18,334 spent in 1969 on repairing and restoring the Courthouse and cemetery and providing toilet facilities.
- Answered by (1).
- Yes.
- (a) Caretaker is paid a retainer—he rents Government accommodation.
- Yes, but at this time, final arrangements have not been concluded.
- It is proposed that there will be fixed hours of attendance (10 a.m. to 3 p.m.).
- Answered by (4).

## 5. ELECTORAL

### *Redistribution of Boundaries*

The Hon. A. F. GRIFFITH, to the Leader of the House:

With reference to the reply to part (3) of my question on Wednesday, the 28th July, relating to Section 12 of the Electoral Districts Act, what conclusion was arrived at by the Government?

The answer to the question will not cost the Government any money.

The Hon. W. F. WILLESEE replied:

The reply will not cost much money either. It is as follows:—That a proclamation must be made pursuant to the Act.

The Hon. A. F. Griffith: In other words, continue to avoid it.

## ADDRESS-IN-REPLY: SIXTH DAY

### *Motion*

Debate resumed, from the 28th July, on the following motion by The Hon. L. D. Elliott:—

That the following Address be presented to His Excellency:—

May it please Your Excellency: We, the Members of the Legislative Council of the Parliament of

Western Australia, in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.

**THE HON. D. K. DANS** (South Metropolitan) [2.38 p.m.]: Mr. President, members of the Legislative Council, I thank you for the opportunity to address the House during the Address-in-Reply debate. I would first like to pay tribute, and offer my condolences, to the next of kin of those members who passed away during the last 12 months. I refer in particular to The Hon. Fred Lavery, whose position I have taken in this House. He represented the South Metropolitan Province for a considerable number of years. That gentleman had a unique position in this House because he was married to The Hon. Ruby Hutchison to whom I wish a happy, successful, and placid retirement.

I also offer my condolences to those members who were defeated. It is a sobering thought, of course, because anyone who enters politics faces this possibility during his career, no matter how long he may be a member of Parliament.

I would like to offer my thanks to the staff of Parliament House, who have been most helpful to myself and doubtless to other members.

I would like now to refer to the Governor's Speech and particularly to the section which deals with the inability of the State Shipping Service to purchase LASH-type vessels.

No-one denies that the north-west of our State during the last decade or 12 years has seen a considerable amount of industrial activity, and a terrific amount of development; and a terrific amount of export income has been earned from this area, allowing a great amount of cash to enter the State of Western Australia. Ports have been developed where previously there were no ports. Ports that were tidal ports have been changed into all-weather ports that can be entered or left at any hour of the day or night.

All this, of course, can be ascribed to the ingenuity and labours of man. I think it would be true to say that whether one agreed with the method of development or not, if it was not for the export income earned from our mineral deposits, this country would indeed be in a very sorry state. It is a tragedy, therefore, that transport has not kept pace with development.

Before I elaborate on that subject, I would also like to go back into history and have a look at the development of the north-west. It would be quite wrong to think that the development of the north-west only happened within the last 10 or

12 years. The north-west of our continent has been developing for the last 100 years or more.

Up until the end of the 1870s, when pastoralists first started to settle in the Kimberley and the East Kimberley areas, small trading ships or sailing vessels of 25 to 60 tons looked after the cargo requirements and the passenger requirements of those people in the north, and in 1870 the steamer, *Natal*, started to bring Kimberley beef down to Perth and, of course, take supplies back. By the end of 1893 there were 2,000 head of Kimberley beef being brought to the Perth markets and, of course, the other requirements were being taken back.

This service did not serve the people in the manner they expected. In May, 1912, the then Labor Government—I think it was the Scaddan Government—inaugurated a State Shipping Service with a very small ship called the *Una*, of some 68 tons gross; and when I talk of tonnage I mean that 100 cubic feet equals one ton. As members can imagine, of course, this was not a very pretentious kind of ship even for those days. That vessel was followed in the same year by the steamer, *Wrexford*, of 560 tons, renamed the *Eucla*, and later on by the *Mongolia*, renamed the *Western Australia*, and the *Western Australia* has a record to her credit with an 11-hour passage from Fremantle to Geraldton which, despite the effluxion of time, still stands.

In 1912 the *Darius* was purchased and she was renamed the *Kwinana*; and I will not have to remind honourable members where the *Kwinana* is. In 1915 the *Bambra* was purchased and also the old *Kangaroo*, and in 1926-27 the *Koolinda* and the *Kybra*. In 1936 the first *Koolama* was ordered. The *Koolama* did not last very long as she was sunk at Cape Londonderry at the time of the first Japanese assault.

During this period of time, of course, this was the only means of servicing the people of the north-west, and I use the word, "servicing" because that was exactly why the State Shipping Service was inaugurated; and it has done the same job that the railways have done for the rest of Australia; and the Shipping Service has continued to do its job, but during this time, of course, it also pioneered the flour trade to Java and Malaya, places we now know as Indonesia and Malaysia. After that trade was brought up to sufficient quantity, the service withdrew in 1938 and handed it over to private enterprise. Its job was done, the trade was firmly entrenched and away the service went. I am not so sure, of course, for a variety of reasons, whether we still enjoy the benefits of trade into those areas, although it is a tragedy if we do not.

The *Dorrigo* was added in 1946, the *Dulverton* in 1948, the *Kabbarli* in 1951, the *Koojarra* in 1956, the *Delamere* in

1958, and the new *Koolama*, in 1958. The *Kangaroo* was added in 1962. The *Kangaroo*, of course, was delivered in the term of a non-Labor Government, as I well remember, having helped on her plans, and she was ordered on the eve of the 1959 election. The *Dongara* was brought on to the coast in 1966. She was purchased by the State Shipping Service from the depreciation fund which supplied 90 per cent. of the finance with 10 per cent. coming from the Government. The *Koolama* and the *Dongara* were subsequently lengthened or jumboised in Hong Kong.

The point I am making is that in all those years, all of the ships that were provided for the north-west service, with the exception of the *Kabbarli*, were provided by Labor Governments because they realised, of course, that in a remote area such as this there was a need to provide a service for the people.

Of course, we have seen a lot of water flow under the bridge since then. During the last 12 years a period of development the like of which has never been seen before in this State or anywhere else in Australia has occurred and millions of dollars have been won from the earth—to the benefit of the people of this country true, I am not decrying that—but no new tonnage has been added; not one little bit of tonnage. It goes without saying that the best possible means of transport to our north-west is by sea.

On the 9th July, of this year, there was a transport seminar held here in Western Australia. I know that the documents have not been published. These were prepared by some of the most eminent people in transport in Australia. Anybody is at liberty to go down to the Transport Department at Claremont and read them, as I did this morning. I was most interested in a man by the name of Mr. K. Thomas, who is a private road haulier, and who has become a millionaire through transport.

Mr. Thomas's road transport vehicles cover this country, and not only has he been successful in this field here but he has also expanded his business to the United States of America, which only goes to show that a reciprocal business is a two-way business, and he has also extended his business into Canada. He makes the statement that road transport is finished; heavy road transport is a thing of the past. It is a wonder to him that it has existed for as long as it has.

He makes the surprising statement—and one would believe him because he is in business in a big way—that despite 20 years of inflation, road transport hauliers on a full-load basis are now charging \$2 a ton less to transport goods between Sydney and Melbourne than they were 20 years ago. In other words, they cannot compete with sea and rail transport, provided, of course, it is properly handled.

In 1965 the Western Australian Coastal Shipping Commission was established and, of course, its purpose was to halt the mounting loss of the State Shipping Service and bring about a situation where modern tonnage could be introduced to provide the people of the north-west with a fast and efficient service at very little cost to the public purse; but it stands as a monumental failure.

I notice in this morning's Press a letter about past problems and that the commission was a dismal failure, if that is the right verbiage—a dismal failure. The first commissioner to offer his resignation because he was absolutely frustrated was the previous manager of the State Shipping Service, Mr. Tom Owen, who was widely respected in shipping and transport circles; but, of course, he was, like the others, in the position of trying to make an omelette without an egg. They were just there; no money or plans or anything. I will not elaborate on the experiences of trying to get the proposition concerning the LASH vessels off the ground.

The commissioner who resigned has, of course, now been followed by another, and although we are making some progress it is not very much. When any new tonnage was not obtained, it was decided to have a look for some secondhand tonnage, but no-one seemed to be very interested. Ships, like any other commodity, cannot be bought without collateral, and none was forthcoming. An idea was then proposed—probably the best idea—that the Australian National Line should follow the objects for which it was first formed by the Australian Shipping Board, and take over the shipping service in operation from Fremantle to Darwin.

Capt. J. P. Williams—now Sir John Williams—nearly had a heart attack. He certainly did not want to saddle himself with an old decrepit fleet. I may say that in the fullness of time this would be the answer to all our problems in the north, but this is inconceivable to me because we cannot obtain any benefit from the Australian National Line which is paid for by the taxpayers' money. I agree with The Hon. A. F. Griffith that it is the taxpayers' money and not Commonwealth money, and we should be getting a grip on some of it.

Despite a great deal of material that is available on transport problems and despite the fact that some of the ships are now 25 years of age, nothing happened until the election of the new Government. The plans of some of them were out of date before the ships were built. It is a tribute to the officers of the service, and the officers and the crews who serve in the ships, that they have rendered the service they have to the people in the north and the State generally. The master of any one of these ships had accommodation which a deck boy expects in modern vessels,

and I would also mention that any disputes in these vessels have been extremely light.

Let me quote to the House the losses that have been recorded over the last 12 years. From 1959 to 1964 inclusive the loss on working was \$8,364,040, and the interest and depreciation amounted to \$5,033,386, making a total of \$13,397,426. From 1965 to 1970, the working loss was in excess of \$11,000,000; to be precise, it was \$11,044,929. The interest and depreciation amounted to \$6,975,607, making a total of \$18,020,536. If those figures are added, we get a total of nearly \$31,500,000; or, to be precise, \$31,417,962. That amount of money, by any standards, is staggering to say the least, especially when one considers that no attempt has been made to rehabilitate the service. This is despite the fact also that great progress has been made in our north-west. I give full credit for that.

I will interpolate here just for a moment. I had the experience of having a copy of a paper that was presented by Capt. J. P. Williams,—now Sir John Williams—the Chairman of the Australian Shipping Commission, handed to me. The address was made to the Victorian Branch of the Economic Society of Australia and New Zealand on the problems facing Australian shipping in the next decade. The paper was delivered on the 29th April, 1960, so we have had 11 years in which to consider the position. I will not quote the whole of the document because it has been widely circularised in view of the fact that it deals with modern techniques and knowledge of shipping. In part, the paper reads—

In common with so many material aspects of modern life, methods and means of transporting people and goods from one place to another have changed beyond the imagination of 50 years ago. In the space of one lifetime, the sailing ship has given place to the coal-burning steamer and the latter to the large modern diesel-driven vessel. Horse-drawn carriages and carts have been replaced by the road motor; travel in jet aircraft has become usual; multi-lane highways tie towns and even countries together. Thus we have passed, in a brief period of time, from a world in which distance was so great a barrier, to one in which places—once months—are now only a few hours apart.

Around the corner, perhaps, lie radio-guided vessels, atomic powered submarine cargo ships and other developments in transport, as yet beneath our horizons. In 1919, Alfred Marshall in his work "Industry and Trade" wrote: "The striking economic feature of our age is the revolution—not in production—but in transport". If this were true then, how much more so is it today?

That was written in 1919 and it applies more so today with all the technology that is now known to man. One finds that the greatest advances in science and technology have been made in the field of transport. There is no corner of the globe today that is not accessible in one way or another by some means of transport and, in several instances, by all means of transport.

Man has even found a means by which he can leave the earth's surface—again, by transport—and yet we, in Western Australia, are trying to serve a population of over 20,000 people in the north with outmoded ships that not only lose \$31,500,000 over a period of 12 years—and I am sure those members who represent the northern parts of the State will agree with me here—but also do not even provide a service. How can any ship provide a service if, as soon as it sticks its nose around the North-West Cape in a five-knot breeze, it has its speed reduced to one knot? This is ludicrous, when one considers that the ships are servicing an area that is most neglected in the field of transport, and when one considers that the last census indicates that the area will probably show a far greater increase in population, and that, generally, 80 per cent. of the total Australian population lives less than 80 miles from the coast.

I now wish to mention road transport, because this seems to be a topical sort of subject when we seek to consider how we are to service the people in our north-west. I do not know how we are to service a part of our country that is subject to extreme flooding. Not only is it subject to flooding, but also to cyclonic disturbances that blow away towns.

Let us have a look at the LASH ship. I suppose it can be said that the greatest enemy in respect of the LASH vessel is the Commonwealth Government, because forces were at work within the Department of Shipping and Transport which did not want LASH ships introduced to Australia. For good reasons, any one in the transport business knows—and the members of the Country Party know—that the greatest blunder of all time has been made with containerisation. There are very few container shipping companies in the world that are making a profit, and one of them made a loss of \$29,500,000. The cry now seems to be "You must ship by containers, or else! Pay another 25 per cent., or else there will not be any conventional shipping line."

At the same time, by procrastination, we lose a chance to provide a kind of service that would do a great deal for the people in the north by way of reduced costs and replacing a breakdown of service for the supply of requirements. It has been found that a United States shipping line has plans to introduce LASH ships to

Australia. This was reported in the *Financial Review* of the 11th March, 1971. Part of the article in question reads—

Mr. Ross said the six new LASH vessels would replace the company's present fleet of nine Mariner vessels.

"We expect that the six LASH vessels will be more than we can gainfully employ in the trans-Pacific trade (between the Far East and the west coast) for two or three years at least", he said.

"It is quite possible we will use two of them here.

"Apart from container carriage, these vessels lend themselves to the carriage of bulk cargos. It is in this area of bulk and containers that we are looking to the introduction of LASH ships to Australia and New Zealand."

The LASH vessel would undoubtedly have assisted transport in the north-west as compared with the container type of vessel, and what is stated in the extract I have just read out is that not only is it possible to place containers in the LASH vessel but also any type of cargo that is desired. Of course, the disadvantage of a cellular container vessel is that unless there is a cargo which fits into the container, the container goes back empty into the ship.

This was one of the difficulties that was not readily appreciated when the headlong charge was made into containerised shipping; and today containerisation is doing its level best to get out of the difficult financial problems now confronting it. One of the ways to get out of those problems is to bypass ports like Albany and others, with a detrimental effect not only on the rural economy but also on the people living in the coastal towns which serve the hinterland and the farming areas. That is all history, and I do not think we can gain a great deal by going over past scores.

Since the present Government took office it has had to purchase two secondhand vessels. Whilst these vessels can be adapted for unit loading, container loading, and to carry in the vicinity of 300 tons of refrigerated cargo—and I have had the opportunity to examine one of them in the north of England—and operate at a speed of 16 or 17 knots, the cold, hard fact is that they are already eight years old.

There is a great need, and I hope the Government recognises that need irrespective of what has gone before, to put into operation a properly co-ordinated transport system in the north. The first thing that has to be done is to obtain another vessel. Let us look at the position if we stick to the two ships only. Cargoes in units or pallet loads will have to be called for, and some of the vessels in the old

fleet will have to be retained. We will then have two vessels capable of doing 17 knots, and the others capable of about eight knots. The cargoes will be received in pallets or in units, and it will fall to the lot of the State Shipping Service, again at a great loss, to break the cargoes down so as to enable them to be placed into the 12-knot ships.

There is a great need for three vessels, and when I mention that number I am assuming that the terminal port is to be Wyndham. If four vessels are required in order to extend the service to Darwin, then surely it is the responsibility of the Commonwealth Government to provide the fourth vessel, because, of the cargo that is transported to Darwin, 80 per cent. does not emanate from the State of Western Australia.

The other evening I was very interested in the remarks which Mr. Withers made, because most of the matters he mentioned I know to be correct. I know about the high cost of living, because a couple of years ago I was up there with Judge Gallagher and officers of the State Shipping Service. I felt sorry for those officers because they were almost physically assaulted by the people, as a result of the poor service that was provided. This happened particularly at Kununurra.

There is a great need for a co-ordinated transport service, and shipping by itself cannot provide that service. This is one of the technicalities of modern transport. This should be done even if the State Shipping Service has to take unto itself a partner from the private enterprise field of road transport. That would be all to the good if a co-ordinated transport service could be provided. Today, for the type of service which I envisage should be provided for the people of the north, cargoes must reach the ship on wheels and leave it on wheels.

With the further developments going on in the north-west it will be necessary for the State Shipping Service or the Government to obtain long-term loans from the private operators in the field of iron ore and oil, with a view to providing at least one bulk carrier and one coastal tanker to engage in only intrastate trade between Fremantle and the north. The profit to be made from the operation of these vessels would more than offset the loss in the other areas of the service. I do not contend that the State Shipping Service would be able to reach the point where it could make a profit; it might well be that the service could break even, but I do not know.

Last, but not least, the approach to transport should be made through one central body. I shall not weary the House by enumerating all the Government departments which have something to do with the north-west; there are literally

dozens of them. Whilst this situation remains I see very little chance of people in the north getting any relief from the high cost of commodities and the infrequency of service. Even with the subsidies granted on certain cargoes it amazes me at times to learn about the high cost of commodities to the consumers in the north. In travelling around the various places I have taken it unto myself to say, "Why the high cost of that article?" It might be a razor. The stock answer is that the high price is brought about by the high cost of transport. I would like to be transporting razor blades up there at the rates that are charged, because I am sure the transport operator would become a millionaire doing that!

The Hon. W. F. Willesee: That is, if you can sell all the razor blades.

The Hon. D. K. DANS: They can be sold all right. Rather than subsidise cargoes it would be far better to subsidise the people in the north. That is all I have to say in this my contribution to the debate on the Address-in-Reply. I thank members for their attention.

**THE HON. I. G. MEDCALF** (Metropolitan) [3.12 p.m.]: I would like to congratulate the Chairman of Committees (Mr. Baxter) upon his reappointment to that office. I am quite sure he will carry on in that position in the same impartial manner as he did during the last Parliament. I should also like to congratulate the new members of Parliament on their election to this House. I hope that they will feel they are representing the whole State, and not only their electorates. I also hope that they will be able to say at the conclusion of the next three years that they have made a useful contribution to the House and therefore that their time here has been gainfully spent. I believe they will make a useful contribution, and I sincerely hope that they do try hard to serve the interests of the State, as well as the individual electors in their constituencies. I believe this objective will commend itself to the new members.

I would like to congratulate the Ministers. They are people we have known for some time. They are of the highest probity, and their sincerity and honesty are unquestioned. In a way it is a case of having greatness thrust upon them, because their appointment as Ministers depends upon the numbers in another place and not on the numbers here. This gives them special tasks and obligations, and I am sure they will discharge their functions well and capably, and also in the best and most honest spirit.

I did think that perhaps it would be nice if the Leader of the House, Mr. Willesee, could sing with confidence the song "I know where I'm going and I know who's going with me." It seems to have special application here. Perhaps he feels

he can. It would not be fair to say that the title of the song might be "I don't know where I am going but I know who's not going with me." I do not say that. No doubt, there will be a more appropriate rallying cry which we will hear from time to time.

The Hon. W. F. Willesee: Could the honourable member sing it to me?

The Hon. I. G. MEDCALF: Unfortunately, I might have difficulty with the President—quite apart from some difficulty with my own production.

The Hon. G. C. MacKinnon: *Hansard* might have some difficulty in reporting it properly.

The Hon. I. G. MEDCALF: Before I address myself to this motion I would like to express, along with other members, my sincere sorrow at the loss of four former members of the House during the last recess. They were all very well known to the members of the last Parliament, and they were very well liked. It would be invidious of me to mention any of them by name, but their relatives can be assured that they have our very sincere sympathy. We also share their loss.

As I have been overseas during the last four months I thought that perhaps it might be opportune for me to make a few random observations on the impressions of my visit. I am very much aware of the fact that other members may have formed other impressions while on visits, but as I have been overseas only recently I think it might be of some value if I were to set down some of my observations.

The most important subject in public discussions—certainly in the United Kingdom—has been the Common Market. I was fortunate in being able to attend a number of sessions of the House of Commons when the Common Market was under discussion. I also took every opportunity of raising the matter in private discussions with people in various countries.

As a preface to my remarks I should, perhaps, say that I visited the United Kingdom by way of the Continent, and I took every opportunity of examining the various institutions and the way of life of the people there before I proceeded to the United Kingdom. What impressed me most was the number of wars in which the people of those different countries have been involved.

Although I had studied a certain amount of history, I was quite unaware of the details of the history of a number of continental countries. It was, indeed, enlightening to see who those countries thought of as their national heroes and what were their national aversions—usually the people of the neighbouring countries.

In Portugal I was shown a mural depicting the Spaniards being thrown out of Portugal, and in Spain I saw a memorial

commemorating the death of three patriots at the hands of dastardly French soldiers. In France I was shown over the Palace Halls of Versailles and I had pointed out to me the very special table which had been used when the Germans were forced to sign the peace treaty at the end of the Great War. That table was the same table on which the French had signed the surrender at the end of the Franco-Prussian War.

There were also many grisly reminders of the wars of the past in the museums throughout the Continent: trophies from the battles of the World War, and trophies and swords taken from English officers who had been killed during the Napoleonic Wars. In England I saw effects of French soldiers and others who had been slain during various wars. Those relics and trophies meant, of course, that all those countries were, at one stage or another, involved in wars with one another.

It is interesting to note that Mr. Heath has recently referred to those wars as the civil wars of Europe. That, of course, illustrates the futility and the tragedy of those wars and I think it is significant that the Prime Minister of Britain can now talk about those national wars as being civil wars. Such statements indicate the frame of mind and the thinking of those who are proposing that Britain should enter the European Economic Community. There are now propositions that Britain is really a part of Europe, in the sense that it should combine with Europe politically and economically, because in the long term the entry into the Common Market could lead to political unification.

The late Winston Churchill had such a proposition in mind when shortly after the war he put forward proposals for a United States of Europe. That was an objective dear to his heart. It will take a great deal of time, of course, before the countries of Europe can combine politically. Perhaps it will be a century or more, but if we look at the progression of history we see a certain inevitability about it.

About 100,000 years ago the Stone Age man lived only for himself and his family. Gradually, he combined with others and formed small groups until there was a combination of races, and a combination of the people with the same geographical boundaries and the same coastlines. For that reason it does seem inevitable that there will be bigger and greater combinations in the future.

Spain was the first country in Europe to overcome the prejudice of the local racial groups. France and the United Kingdom followed suit. It was in 1707 that a union was proclaimed between England and Scotland. Italy and Germany combined and became united about a century ago.

The Hon. R. F. Claughton: That was by force.



The Hon. I. G. MEDCALF: Yes, indeed, by force. In most cases the unification was by force. The Common Market does not, at this stage, require any political union; it is merely an economic union.

Tremendous progress has been made by those countries that have so far become members of the Common Market. Those countries have, in fact, made a great deal more progress than the countries which have been excluded from the Common Market.

I think the position of Great Britain is fairly typical. Many European countries regard Great Britain as being a poor country. The workers of Britain are regarded as having an inferior economic status to that of the workers in the market countries. That is one of the factors which has weighed heavily with the political leaders of Britain when trying to reach a decision on market entry. It seemed to me, from my very external position as an observer, that Britain was declining economically in relation to those other countries in the European Community.

The major advantages to a member country in joining the community are, firstly, access to a very much wider market, resulting in enhanced prosperity for the people concerned. Secondly, there are technical opportunities for research which would not be available to a country which did not have access to a wide market and which did not have great financial resources.

The major disadvantages in the immediate future appear to be that food prices will obviously increase in the United Kingdom and will rise to the level of those in Europe. Secondly, there may be an adverse effect on the British Commonwealth—or the Commonwealth as it is now called—and this is something which has to be weighed up by Britain.

The political parties in the United Kingdom find themselves in a very difficult position. The Labor Party and the Conservative Party are divided on this issue. In 1967 the Labor Party initiated the European Common Market application for the United Kingdom, and the man who was then the Chancellor has expressed the view that the terms which have now been put forward would have been acceptable to the Labor Government if they had been put forward at that time.

The Conservative Party also finds itself divided on the issue, and I think it would not be untrue to say that both the Prime Minister and the Leader of the Opposition could find themselves in danger of losing the leadership of their parties if things do not go in the way they hope they will go. If, for example, Britain did not join the European Common Market because of an adverse vote, it might well be that Mr. Heath would find it necessary to resign. It can be seen from recent announcements

in the Press that Mr. Wilson is in a difficult position in respect of views expressed by leading members of his own party.

However, irrespective of the immediate outcome of Britain's present application I believe there is a necessary inevitability about Britain's application to join in the economy of Europe, arising from Britain's geographical position and from the history of Europe itself.

As far as the Commonwealth is concerned, I was interested to hear the remarks made by Mr. Ferry, particularly in relation to primary produce in Australia. It seems that the question of sugar has been taken into consideration, at least on an interim basis, and that was one of the major points arising in the recent debates. New Zealand's position is being safeguarded for a limited time. New Zealand has literally been waiting on the doorstep of No. 10 Downing Street, and its case has been very ably put by its Deputy Prime Minister.

As far as Australia is concerned, we have known for 10 years that this application was in the wind and that Britain might join the European Economic Community. It does not seem to me that there is much use in complaining any more to Britain about this. It is a decision which Britain has to make virtually in its own interests and it must be guided in its decision primarily by a consideration of how it will fare itself.

It appeared to me that the United Kingdom regarded Australia as being grown up and not any longer requiring special assistance after 200 years of development. That is an argument which is difficult to refute. On the other hand, we will be very seriously affected in certain respects. Mr. Ferry pointed out what the effects would be on our primary production, particularly in respect of dried fruits and in other sections of the fruit and dairying industries.

We must do what we can to develop other markets. I know that is easy to say, but I am afraid it is better to take our medicine now than to linger on, as New Zealand is doing, and possibly miss out on the opportunities which may now be present in other parts of the world.

I would like to refer to the contribution which has been made by the United States of America to Europe. Most people are aware of the Marshall Plan, but I wonder how many people know just what it meant in terms of cold cash to the American people. It has been estimated that the Marshall Plan for the reconstruction of Europe after the war meant a contribution of \$2 an acre per annum in tax for every farmer in the United States. There is no doubt that this plan greatly assisted in setting Europe on its feet again after the war.

The United Kingdom also made its contribution by involving itself in food rationing for a much longer period than the continental nations themselves, and the victors of the last war—if it can be said that Britain and the United States were the victors—regeared and restarted Europe and the occupied countries after the war.

Now the winds of change are blowing very hot and we have the spectacle of the almighty dollar losing its value and the pound being propped up by currency loans and guarantees from European countries. This is, indeed, a change. The German Deutschmark and the Dutch guilder are said to be floating, which really means that they have been revalued or up-valued in practice but not in theory. There may well be an actual revaluation at a later date, but in fact the United States dollar and the pound have declined in value as against the German and Dutch currencies, and it seems likely that the Japanese currency—the yen—will be revalued at a later date.

Here again we have the situation that the nations which lost the war or were occupied during the war are at the present time taking the lead, whilst the countries which supposedly won the war are missing out and the value of their currency is declining. I think Germany, Holland, and Japan deserve credit for their hard work and industry which have put them in the position they are now in. On the other hand, as far as Australia is concerned, there are lessons in it for us and we will have to take stock of our own currency and our own position to find out where we will stand in the next few years in our international credit.

The decline in the United States dollar has had quite a serious effect upon one of the major industries of Europe; that is, tourism. There are now fewer affluent United States tourists on the Continent, and in fact there are less tourists altogether. Some countries have noted a decline of up to 20 per cent. in tourism.

This decline is quite serious as far as the economies of some of the poorer countries are concerned, particularly Spain, which depends, for its foreign currency, almost entirely on the contributions of tourists, especially American tourists. It is safe to say that American tourists have been propping up the economies of several European countries for some years, and if tourism declines there will be serious consequences. West Germany and Holland seem to be emerging as the strongest industrial and financial powers in Europe.

There are lessons for Australia in this matter of tourism. Some countries, of course, go in for the usual tourist "takes," which are regarded as good sport by all except the tourists. This illustrates, I think, that there is a necessity for Government supervision of tourism. If and when

tourism becomes a major industry in Australia—as I hope and believe it will—I think it is necessary to keep watch to ensure that tourists get a fair deal, otherwise they will not come. This requires Government supervision of hotel charges and other charges which tourists have to pay.

Another lesson for Australia, I think, is that tourists want to see something attractive when they visit a country. This being so, I think we should see that our environment is kept as pleasant, as clean, and as beautiful as possible.

Touching on the environment, Sir, I believe that the major cause of pollution of the environment is people themselves and the cars in which they drive about. It seemed to me that the roads in many of the countries I visited were absolutely choked by cars, trucks, and other vehicles; and it is no good bemoaning this and saying there should not be so many vehicles. Obviously vehicles serve a very useful and necessary purpose and we cannot do without them. But the more people there are, the more vehicles there are and this is very obvious in Holland and the United Kingdom, which are the most densely populated countries in the world. Motor vehicles are probably the greatest pollutants and I think it is desirable that we should pay some attention to the fuels they use. I hope that in the future scientists will pay more attention to fuels.

Most of the London taxis are powered by diesel motors which give off a very offensive stench—there is no other word for it—and some of the narrow streets of London seem to be choking. This also applies to some other large cities. The big cities are gradually becoming bigger and bigger under the pressure of people and the countryside is disappearing very fast in both Holland and the United Kingdom. The rare country air is becoming rarer and rarer.

As far as trucks and heavy vehicles are concerned, if there is any alternative to them in the form of fast rail transport, then I think it should be explored and exploited. France has an extremely fast modern electric rail service which seems to be most effective. Admittedly, this is economical only in the highly populated areas, but I do think we should give further consideration to modernised rail transport wherever we find we can afford it.

The lessons for Australia in all these things are: Firstly, that we should not merely talk about decentralisation; we should bear the principle in mind whenever we consider legislation or developments which tend against decentralisation. I do not think it is sufficient simply to say that we are in favour of decentralisation without doing something about it. If we do not decentralise we will have an enormous growth of major populated areas

which produce all sorts of problems in their wake. Secondly, we should be more selective in our immigration policy. I do not think there is any great virtue in numbers for their own sake.

Thirdly, the question of vehicle fuels will have to be given very serious consideration. In the next decade I hope we see some improvements in the type of fuel used, with less poisonous substances.

Finally, we must have a balanced development between industry and the environment. It would be futile to say that we should not have such industry as we can attract. I believe we should, and I want to place that on record. Nevertheless, I believe that there is a way of doing things with the least amount of harm to the environment. When we are developing the country and when plans come forward for its development a major requirement is to see that the environment is disturbed as little as possible.

The question of drugs is another matter upon which I wish to touch. I did notice quite a lot of people in various parts of Europe who had obviously had some contact with drugs. The greatest collection of these people was in Holland where it is now lawful for drugs to be sold. I refer to what are regarded in other countries as harmful drugs. There is nothing to prevent people from hawking drugs on the streets and this is done quite freely. In Amsterdam a great collection of people congregate in the centre of the city. Many of them are obviously drug addicts and many are simply other kinds of hippies. There are also quite a few of these people in London but they are particularly noticeable in Amsterdam.

The people of Holland pride themselves on being very tolerant and perhaps they have gone a little too far in their tolerance by legalising the sale of drugs. Nevertheless, that is their business and not mine. I did notice with some interest that there had been an unofficial march by naval cadets just before I was there. Apparently the naval cadets formed themselves up without orders from their superior officers and marched into the centre of Amsterdam with the avowed object of clearing up the hippies. But when they got there they found to their astonishment that there were no hippies in sight. The word had spread.

Another method of clearing the hippies which seemed to be quite effective was performed by municipal officers. They brought out fire hoses each night and turned them on one or two plants which happened to be in the same area as the congregation of hippies. Presumably they were watering the plants, but it seemed to have the effect of temporarily cleansing the whole area.

One thought that struck me was that the business of drug addiction is in a sense a problem of affluence, because one must

have money to buy drugs. Drug addiction did not seem to be a problem in some of the poorer countries. I was told there is no problem in Spain. Drug addiction seemed to be most common amongst young North Americans. That is what I was told, and I do not want to do an injustice to those people. Apparently the North Americans are mostly in receipt of funds from their own countries.

I think this is something that is overlooked. One needs money to be a hippie and so it is in a sense a problem of affluence. It is one, of course, which we could have here if we neglect our young people. I was very impressed with the necessity to support youth activities. If our young people are neglected by society and if they are not given sympathy, they will automatically drift into these undesirable areas and into undesirable company. I believe we should all be acutely aware of the importance of youth work in our own community if we want to prevent this sort of thing happening here—and it could just as easily as it has in America.

If we are sometimes tempted to believe that we have problems in Australia—and I know we have many problems in Australia—I think perhaps we should bear in mind that there are problems overseas which in many ways are of far greater magnitude than the problems we have here. For example, the very problem of the Common Market is going to affect the United Kingdom for decades—perhaps for centuries—to come. The decisions which have to be made in this matter are extremely onerous.

The problem of apartheid in South Africa and similar problems in other parts of the world are, of course, very serious. Some of the problems I ran into overseas were their problems, not ours, and they seemed to me to be much worse than the problems we have here.

Countries overseas have had other problems similar to our own, and they have often tackled these in a manner different from the way in which we face ours at the moment. I believe we should get things into their right perspective. It is certainly advantageous for us to see how countries overseas have tackled their problems. We can learn a great deal from both their success and their failure.

In conclusion I would like to say it is necessary and desirable that we in Australia should keep in close touch with developments overseas. I believe that by careful and intelligent observation we can learn a great deal from their experiences, which will be of value and benefit to our own people.

I support the motion.

*Sitting suspended from 3.42 to 4.01 p.m.*

**THE HON. J. M. THOMSON** (South) [4.01 p.m.]: Before proceeding with the motion before us, I, too, would like to congratulate the newly elected members and extend a welcome to them in this House. Although they no doubt received a welcome when they first entered Parliament, it does good to repeat it, and I sincerely hope that their sojourn here will be one of great satisfaction and pleasure to them. I trust their stay will be as long as they desire it to be, although perhaps it will be only as long as their electors desire. I wish them well in their membership of the Legislative Council of Western Australia.

I would also like to express my congratulations to those members who were re-elected at the last election and to express my pleasure at their presence here either to agree or disagree over the next six years. To the gentlemen occupying the ministerial benches opposite may I offer my congratulations on their preferment and wish them well, even though they hold their positions for a brief period only—but that remains to be seen.

The Hon. W. F. Willesee: Smile when you say that! That's better!

The Hon. J. M. THOMSON: Some people no doubt would envy the Ministers their preferment, but there are quite a few who do not, particularly at this time under the existing conditions within the State. I also congratulate Mr. Baxter on his re-election as Chairman of Committees.

While I am in this complimentary mood I would like to express my pleasure and satisfaction in regard to the Government's appointment of a Minister for Industrial Development and Decentralisation, because decentralisation has a decided bearing on what I now wish to say.

I wish to speak about the road transport of wool from Kojonup and southwards to Albany, and the importance of this on maintaining Albany as a wool selling centre and a wool export port. It is very pleasing indeed to me to see sitting opposite me the Minister for Transport (Mr. Dolan), who is responsible for administering the very important Department of Transport. It is therefore his responsibility and that of other members of the Cabinet to consider the very important points I intend to raise in a few moments, and I trust that much good will ultimately come from their deliberations.

Over the last 12 months or so a survey was carried out regarding the transport of wool from Kojonup and southward to Albany, and a report known as the Knox report was compiled and presented to the previous Government. I understand that with additional information it has now been submitted to the present Minister (Mr. Dolan) and I have no doubt that it will in turn be presented to Cabinet.

I understand that the report indicated in detail that a change of policy in the transport system to Albany could result in considerable financial savings to producers within that area; the saving amounting to about \$130,000 per annum. With the anticipated increase in the volume of production, this saving could well rise to something in the vicinity of \$200,000.

Taking into consideration the first figure I quoted—namely, \$130,000—had the present road restrictions been lifted for the wool selling season just concluded, and had the woolgrowers been able to send their wool by road to Albany instead of having to rail it to Fremantle, those growers would have retained a substantial and handy amount of cash which, when we consider the present state of the industry, would have been most desirable.

Another aspect that I am most interested in and concerned about is that Albany should remain as a wool selling centre and a wool export port. Up to date, because of the container type of ship now operating between Australia and Europe, and the fact that there is only one port of call in Western Australia, that port being Fremantle, and wool being the most profitable cargo for the consortium concerned, that consortium naturally posed a very serious threat to the future of Albany as a wool selling centre and a port for the export of wool.

Consequently last year representations were made to the Commonwealth and State Governments by the Albany Industrial Advisory Committee. Apart from being one of the parliamentary representatives in the area, I had been associated with that committee over the period of the negotiations and representations being made in an effort to secure an export service from Albany.

The then Premier (Sir David Brand) was contacted by the committee and he in turn communicated with the Scandinavian Australia Carriers Pty. Ltd. and paved the way for negotiations culminating in the offer announced as recently as the 14th July, by the managing director of that company. He indicated that the initial programming of three ships to lift wool out of the Port of Albany for continental ports would take place during the first three months of the 1971-72 wool selling season. It will be appreciated that the wool selling season is only a few weeks ahead of us.

This recent announcement represents a significant breakthrough in the Albany region in the long fight to endeavour to have the region's wool shipped from the Port of Albany, instead of allowing the consortium I have referred to earlier to call the tune by centralising the wool at Fremantle for its container trade. It is interesting to note that the first shipment is scheduled to sail in late September with

a minimum of 2,000 bales. However, it has been stressed by the company that if this service is to be successfully continued beyond the first shipment in September, 5,000 bales will be required monthly from the Albany sales.

The total number of bales from the last season was 175,000, but to meet the 5,000 bales which will be required monthly, considerably more bales will have to pass through the Albany wool centre during the coming season. It is from the Kojonup area and southward that these extra bales could come.

The wool selling centre which over a number of years has fully justified its existence by virtue of the sales which have increased in quantity and quality involved a total capital cost of well in excess of \$5,000,000. This includes of course all the associated departments, and railway lines and sidings, etc.

In view of this it is essential that we retain and maintain the service of these ships and increase the flow of wool into Albany and, as a result, increase the flow of wool out of Albany. In this way we will preserve Albany as a wool selling and industrial centre, with all the contingent industries associated with wool production being firmly established in Albany.

Therefore, the matters to which I have referred clearly indicate decentralisation in its truest and fullest interpretation. I fully realise the pressures which are at work to knock this whole enterprise, because of powerful vested interests not only in Western Australia and the Eastern States but in other countries that are far removed from our shores. I am also fully aware of the concern felt by the Railways Department over the question of transporting wool to Albany by road from the area to which I have referred. These are pressures which the Minister will have to face in handling negotiations and discussions in company with whoever is appointed to act with him on the investigation. However, I am sure that the merits of the proposal for road transport to the Port of Albany by far outweigh the objections that could be submitted to and sustained by the Railways Department.

I earnestly appeal to the Minister and those who will be entrusted with the responsibility of making decisions to come to one that is satisfactory so far as producers are concerned and that will have an ultimate beneficial result for Albany, at a time when the need of the producers is such that we should give every consideration to a favourable decision to assist them in their present financial position. I also mention all the benefits which come from decentralisation so far as employment is concerned and the advantages which would come to an industry which has already been established.

Again, I emphasise the importance of the centre to growers in the southern region and the importance to the Port of Albany itself. I trust this matter will receive the sympathetic consideration of those charged with the responsibility of bringing it to its conclusion.

Another matter to which I shall refer has been commented upon by other members in this House and it is one which concerns us all. I refer to the Aboriginal population of our State. What I have to say on this occasion will be brief. I shall refer particularly to Aboriginal children, because they are the ones to whose future we must look. My comments apply equally to children who are full blood, half caste, or quarter caste, as the case may be.

It is quite evident to me from my observations and personal experience that Aboriginal children are not receiving the benefits—and possibly great benefits—which should flow from education. As I see it, the education system falls down because the children attend classes during the day but return to the reserve after school.

Incidentally, on the subject of reserves while I was out of the State during the recess, I saw native populations—Fijians in one instance and Maoris in another—who live in villages. The settlements are called villages and I think the name "reserve" could well be changed to "village." This is a question of psychology but I consider it is a matter of importance to the people concerned. I am sure that if the name were changed, it would have beneficial results in the long run.

To return to the subject of Aboriginal children, when I returned home and visited Aboriginal families, I found that the children were given homework to do but had little chance of doing it. What chance does a child have, if it is not helped within the precincts of the home, to understand the work and the purpose of school activities? It is quite evident to me that children who are fortunate enough to receive assistance from a guardian or someone interested in them are the children with the best attitudes and show the most advancement within their classes. This is of importance to the children themselves so that they may attain personal satisfaction.

One of the greatest difficulties confronting the department is that it is not able to secure, or retain, its officers for the desired length of time. The men and women concerned need to be very devoted, because they meet many frustrations in endeavouring to assist Aboriginal children and in making their lot better. In many instances they do not want to be any different from what they are, although in saying this I am referring more to the adult population and perhaps some of the younger ones who may still cause us a few problems in the future.

If money were made available to give children supervised tuition at the reserves—I would call them villages—they would be able to attend to their homework. I consider this would be well worth while.

It is a matter of some concern to all of us, I am sure, to see young boys and girls leave school in good physique and with good prospects before them. But we find all too frequently, I am sorry to say, that they fall by the wayside. The girls are easy prey for those who use them for their own convenience and this, in turn, adds to our further responsibility in due course.

I do not know whether a provision was deleted from the Act which dealt with people who use Aboriginal girls for their own convenience in sexual activities. This kind of thing adds to our problems more and more. We certainly see it, if we cast our eyes around. It is something that has doubtless caused the authorities grave concern in the past and is causing them concern now.

Generally speaking, there is a genuine desire on the part of the public to assist Aborigines. I consider that people are ready to offer the hand of friendship and guidance, and, quite frequently, the younger Aborigines are prepared to accept it. This kind of progress must be followed through and it takes a long time; it is certainly not a matter of a short time. Children must be taken through their scholastic years and given every opportunity to be suitably employed.

Perhaps I have said sufficient to indicate to the Minister that I realise the problems with which he is confronted. I realise, too, that he is equally concerned, anxious, and sincere in his attitude towards the problems of the department that has been placed under his control. I trust that money will be forthcoming to enable him to do the many things which we, and we, think are so necessary for the better advancement and welfare of these people. It is not always easy to get them to realise and appreciate the standards of living which we appreciate and enjoy today.

The Hon. W. R. Withers: Hear, hear!

The Hon. J. M. THOMSON: Before I conclude I should like to refer to the question of standing committees. I also referred to this in the House last session. It is a disappointment to me that the Public Accounts Committee does not include a member of the Legislative Council. I am very pleased that the committee has been brought into being, as I think it is high time we had such a committee, and I am sure it will do a very worth-while job.

The Legislative Council cannot interfere—nor would we wish to interfere—with the rights and privileges of another place as far as money Bills are concerned. This is laid down clearly in the Constitution Act.

Nevertheless, we are called upon to consider these Bills and I feel that the Legislative Council should have been represented on the committee.

It may be argued that we have no right to expect to have a member on the committee, because of the provisions in the Constitution Act. I do not think for one moment that the committee will dictate to any Minister or Government what will or will not be done. Its function will be to investigate items associated with public accounts. I think this is most desirable and that investigations should be undertaken, particularly when I think of the size of some of the tenders for public works. As a result of this, it is most desirable that investigation, inspection, and consideration be given to how, when, and why the expenditure is necessary and how much should be expended.

Nevertheless, I hope that, ere long, recognition will be given to the Legislative Council whose responsibility it is finally to approve measures associated with accounts and expenditure which come from another place. It may not be a long time, but then again it may be, and if we speak long enough and loudly enough perhaps favourable consideration will be given to what I am suggesting.

The final matter with which I wish to deal is the pile of regulations and papers on the Table of the House which I see before me as I speak. In my opinion we could well afford to have—

The Hon. G. C. MacKinnon: A committee on subordinate legislation.

The Hon. J. M. THOMSON: —a committee on subordinate legislation to deal with such matters. What chance is there for members to go through all the regulations and either approve or disapprove of them?

The Hon. G. C. MacKinnon: How much more time would the members have who happen to be chosen to go on the committee?

The Hon. J. M. THOMSON: They would have just as much time to investigate this as the committee has that has been appointed to inquire into public accounts. When we appoint a group of people to do a thing, they do it because it becomes a responsibility; and it is a responsibility which we, as members of Parliament, I am sure would be pleased to accept. Mr. President, I support the motion.

**THE HON. D. J. WORDSWORTH** (South) [4.31 p.m.]: I rise to support the motion to adopt the Address-in-Reply, Mr. President. Firstly, I would like to thank you and the members of this House and the staff for the manner in which they have received me and made me welcome. I know that my time here will be

an enjoyable one and I hope I will be able to contribute and add to the deliberations of this House.

I realise that I have taken the place of a most respected member of the Council, the late Mr. Edward House. He was admired by all; whatever he did he did it well, whether it was in the field of sport, fighting for his country, or as a hard-working member of Parliament. I add my condolences to those of other members of this House to his wife and family.

I wish you well, Sir, in your position as President of the House, and also extend my good wishes to the Chairman of Committees, and to the other members who have taken on various duties.

May I congratulate the members who were elected at the last election, and I particularly congratulate the Leader of the House (Mr. Willesee) and the other members of the Cabinet. Without doubt their responsibility will be a great one, because the people of Western Australia have put their trust in them and their yardstick will undoubtedly be the record of previous Governments.

I am proud to represent the South Province, and in representing that province I will be representing Albany, the historic site of Western Australia's foundation. Alas, today, Albany is going through a most difficult period, probably the most difficult period in its history. Trade in many cases is down by almost one-third and unemployment is rife. At present the number of unemployed is over 400.

I see that Cabinet has formed a special committee to go into these matters to try to alleviate the conditions and to bring more development to the area. I hope the committee will be able to correct the situation, for it is a most serious one, and one that is vital to the people of Albany.

The other two electorates in the South Province are Stirling and Roe. Stirling contains the Shire of Albany which is partly the Town of Albany and partly in the country. It is an area of intensive farming—dairying and potatoes—and it also has newland farming to the east. There is the Shire of Plantagenet, the centre of which is Mt. Barker, famous for its apples. It also has soldier settlement schemes in Rocky Gully and newland farming in and around the Porongorups. To the north we have the shires of Tambellup and Cranbrook, both famous for their wool.

The electorate of Roe is a vast one extending from Gnowangerup to Esperance north to Dumbleyung, Nyabing-Pingrup and Lake Grace. These shires are famous for their wheat. The electorate even contains some mining in the Shire of Ravens-thorpe, but here we see a change for it is now mainly concerned with agriculture.

I give this outline because I feel that wool is the mainstay of the South Province, and it is on this subject I would like to speak today. Not only am I a wool grower but I have also made a study of sheep—sheep being the key to the development of the area. Wool affects Albany because Albany is the wool-selling centre and shipping port, and the sheep is the tool of the new-land farmer, and an integral part of the farming in the drier areas.

I think I would have in my electorate the greater percentage of the newland farmers in the State, whether they be those soldier settlers such as those at Jerramungup; those on conditional purchase wheat holdings at Newdegate or those on the lush sheep holdings at Esperance and Many Peaks. These people, as pioneers, were the joy and pride of Western Australia.

Those were the days when we were opening up 1,000,000 acres of land a year and we were the State on the go. But 1971 finds that circumstances have changed. We seem to have a rural recession on our hands and everybody is trying to forge these pioneers, but I intend to fight in this House to overcome some of their difficulties and, I assure you, Sir, that they have many.

Firstly, I would like to quote from a report of the Western Australian Department of Agriculture, Attachment D to *The Immediate and Longer Term Needs for Debt Reconstruction and Farm Adjustments with Special Reference to the Sheep Industry*, Bureau of Agricultural Economics (February 1971). This concerns my area very much and I will read the exact words from page 71 as follows:—

Analysis of those solely dependent on their new farm (Group 1) shows that 59 per cent. are in a hopeless financial position. There is no way of determining just how long these people will 'hang on'. It will probably be another year or so before the majority of them realise the inevitability of their failure. Most of the remaining newland farmers in this group are in a doubtful position.

Now this is rather staggering, and I will quote further as follows:—

The projections do not directly allow for the possible entry of Britain and other countries into the EEC; it is assumed that negotiations will be protracted and, if successful, will be followed by a substantial transitional period extending beyond the five years covered by this study.

We already know that these conditions have changed, and I will quote from page 2 of the same survey. This reads—

Short, and not only long, term factors have, of course, influenced the figures for 1969-1970; but the influence

of short term factors would not be all that important for the following reasons;

- (i) the wool price last year (38 cents per lb), although well above present levels (30 cents), was not greatly below the long term likely trend price of about 40 cents;

So the interesting thing is that that survey was made on the assumption that we would be working on 40c per lb. This is rather frightening to realise.

I feel the farmer is in difficulties because of many factors, the first of which is the wheat quotas. As members know, throughout Australia the quotas are based on past history, and Western Australia got its allocation on its production over many years. Unfortunately this was rather unfair to Western Australia because we have so many newland farmers coming on. When it came to allocating quotas to farmers within the State, newland farmers had great difficulty in getting any quotas at all, because how could they provide a history? Fortunately this matter is now being corrected, but not before great financial harm was done to these growers.

The other important thing is drought. Many of these areas opened up recently were marginal, particularly in regard to climatic conditions, and while one can farm in these marginal areas if one can put something aside for a bad year, it is particularly difficult when there is very little profit in the farming. Low wool prices, of course, are an obvious cause of this state of affairs but I hope to deal with that aspect in a moment, and also the problem of rising costs.

The next cause is undoubtedly the poor stock prices. Many farmers are engaged in the production of fat lambs and even if they are not, the poor prices for old ewes and wethers have affected them greatly. As wool prices drop, as members can appreciate, so meat becomes important in the farmer's budget. There has been considerable talk about statutory marketing, and as good as that is in theory, I feel it will be useless without adequate abattoirs. We have seen the Midland Junction Abattoir expanded, but I feel this could only be considered little better than a stop-gap policy and I hope that we will see the Government support new abattoirs at Katanning, Mundijong and Kwinana, and I would hope it would explore other avenues to establish new abattoirs in the State. I recommend to the Government that it put abattoirs as the No. 1 priority in its effort to halt this agricultural recess.

There are undoubtedly very good prices for meat overseas but, needless to say, we have to kill the sheep before we get them there. It has become a State responsibility not only to build abattoirs, but, having built them, to keep them running to capacity. I refer now to the nine weeks'

strike that we had during our peak period last year. I hope that this Government will be able to alleviate such catastrophes as that, because during that time stockholders were asked to hold back their stock. I feel it is a little bit like holding back the waters; Moses was successful—but only for about two hours.

May I refer to what happened to people in Esperance during that period last year. They had lambs fit to kill at an export value of some 13c a pound. They were not able to send them away so they had to carry them through and refatten them in June and July. They started the market at 16c a pound. Then, of course, the glut hit the market with the result that all the sheep that should have been sent overseas in November, instead of being lambs at 16c a pound, were then mutton at 3c to 4c a pound. This represents about \$3 loss per lamb, far more than the total value of the wool that the mother produced.

Not only are the farmers in financial difficulties through this, but the farmers now find they have last year's lambs on their properties as well as this year's lambs. I see from the paper of a few days ago that we are again being asked to hold back stock. It is quite obvious that the farmers cannot. There just simply is not enough feed to keep the stock on the farms, apart altogether from the financial effect on the farmers of not receiving any money. I hope this incoming Government will put abattoirs at the head of its needs, for I feel this is also the key to rural reconstruction and job training.

I do not wish to enlarge at this stage on rural reconstruction because undoubtedly there will, in the near future, be a Bill before the House dealing with this question but it is obvious that we cannot reconstruct if we cannot diversify. The wool farmers may wish to change to cattle but they cannot get rid of their sheep. The sheep form part of the current structure of every property and have probably been bought on a stock account with one of the stock firms and still represent quite a considerable debt. But at present, at 2c or 3c a pound, they are not even making the price of pet food.

The same applies to those who wish to leave the land; and I ask you, Sir, how can you expect people to be able to leave the land if they cannot sell their stock and they cannot sell their farms?

I think it will be found that most farmers are responsible people and they cannot just walk away from their properties. I suggest that the Government should make a study of this problem so that farmers would be enabled to leave their farms with a certain amount of dignity and integrity. I refer once again to what was pointed out in the report that I quoted; namely, that 59 per cent. of farmers have been recommended to leave their farms and obtain



other employment. There should be a more honourable way of achieving this, other than by allowing the farmers to become bankrupt, because I feel that, in many cases, it is no fault of their own.

Undoubtedly many of their creditors will have to write off some of their debts and loans. I have looked at some annual reports that have been released by finance companies and from them it does not appear that the existing position of farmers has affected them very much. I am shocked at the quantity of repossessed plant and machinery that has been sold at a profit.

At this stage I would also like to refer to probate. I think that most people consider that probate is an unjust tax but, today, it is considered even more so by the farmer. In the past, one of the advantages of probate was that it broke up the larger properties, but I can hardly believe this is the need today when we are trying to reconstruct many farms.

At present the major difficulty is that when a farmer dies his property is valued at the time of his death. Previously, when the farm did not have to be sold at the time of death, there was a reasonable chance of its rising in value, but today the values of farming properties are falling rapidly and the percentage of the sale price of farms going to probate is rising, because farmers are unable to sell their farms.

Already it has been noticed that the values of farms are down by about one-third, and inquiries made at stock firms will disclose that about half the farms in many of the shires in my electorate are for sale, but with very little hope of obtaining buyers. So I suggest the Government should give consideration to reducing probate tax, particularly as it applies to rural land.

I would like to say a little more on wool prices, because there is a certain amount of controversy today about the guaranteed price of 36c a pound by the Commonwealth Government. I think most people realise that Australia has become a country with a very high standard of living—it is amongst the highest in the world—as a result of the export of primary products. It is rather amazing that this affluence has come about, because I do not think there is another country, bar New Zealand, that has managed to attain the standard of living we enjoy in Australia as a result of being a primary-producing country.

Fortunately, in Australia, we have minerals which are taking a place of greater importance in our exports. There is the problem, of course, of capital repayments and interest which, at this time, reduces the significance of the value minerals are adding to our economy. Fortunately, manufactured goods are increasing the volume of our exports and it is now seen that they equal wool in value. Many manufacturers are sheltering under antiquated

tariff laws which were introduced in the 1920s and 1930s, and because we export such a small percentage of our total manufactures, I feel that local consumption is subsidising these exports. We actually export 18 per cent. of our total manufactures.

Also, to help with the export of manufactured goods, a payroll rebate is passed on to manufacturers. I point this out, because I feel that Australia cannot do without a wool industry in the foreseeable future. Not only is it important in view of what we can get for wool in its own right, but also because of the fact it is part of the agricultural industry as a whole. Most farms are in some way dependent upon sheep, and agriculture still brings in half the value of Australia's exports.

I will not enter into the controversy over the future of wool as against synthetics. Again, another question that often arises is: Why do not farmers move out of wool? In answer to this I would point out that it is very difficult for the woolgrower to judge for himself what the future holds for him. He has built up a terrific sales organisation in the Wool Board and the woolmark is one of the few symbols that is known around the world. Few have reached such widespread international recognition, but having built up this large sales organisation, how does the producer get a clear picture of his future?

All of his information is promotion orientated. He cannot expect his salesmen to give him a conservative market forecast, because after all, any salesman has to be over-enthusiastic; that is his job. However, it does make it difficult for the woolgrower to determine his future policy and in this regard he relies very much upon the Government for guidance. We see from this that the Bureau of Agricultural Economics does issue a long-term forecast of 40c a lb. for wool. I feel that if the Government has any faith in its own departments, it would not be risking a great deal of the taxpayers' money in guaranteeing 36c a lb. for wool. Undoubtedly great changes are being brought about in the industry. The traditional auction system of selling wool is giving way to acquisition, and in times of a recession—as there is today—in the textile industries, some stocks have to be removed from the market and the Australian Wool Commission is undoubtedly performing an excellent job in this regard.

We will see changes in the presentation of the sale of wool. Wool measurement and testing is now being scientifically carried out and we are not altogether dependent on visual judgment as we have been in the past.

I would like to point out that the use of wool is a craft. Softness and wool handling is important, and as only 8 per cent. of the world's fibre market is wool, there is a fear that too much change could unbalance this delicate percentage. However, there are

one or two major changes that obviously must be made, particularly in the field of transport. At this point I would like to quote from the Annual Report of the Director-General of Transport for the year ended the 30th June, 1971. I must also congratulate Mr. Knox for the excellent way he has presented this report. On page 18 he speaks of the export of primary produce to Europe. He brings up the matter that has been under discussion before; namely, the Europe Shipping Conference which intends to terminate its current shipping contracts.

Last year, as members know, and as Mr. Knox has said in his report—

... a general 7 per cent. rise was applied. The Europe Shipping Conference is now seeking not less than a 20 per cent., and possibly as much as a 35 per cent. rise. If a 20 per cent. rise is applied to wool, the growers' net-back might be expected to fall by some \$2.56 per bale.

This represents about 1c a lb. The Director-General of Transport, in his report, goes on to say—

But it is also known that single shipping lines and individually negotiated charters operating outside the Conference are ready and willing to offer freight rates substantially lower than those prevailing within the Conference now—as much as 20% lower.

This is rather a staggering amount to ask the woolgrower to carry when we realise that those two factors represent to the woolgrower a cost of 2c to 3c. Mr. Knox went on to say that containerisation needs wool but wool does not need containerisation.

I have quoted from that report because I feel other factors enter into the question of why the producer feels the Commonwealth Government should help to subsidise the wool industry. I hope that Ministers, in their approach to solving Albany's problems, will also look very closely at this report, because the Director-General of Transport also goes on to say that the conference line averages its costs over all the Australian ports. Obviously, this is to the disadvantage of Albany and to those growers of wool around Albany. When freight charges for wool are negotiated, it is obvious that Albany is averaged out with Queensland. Of course, the unfortunate part is that container ships do not use Albany and wool is being railed back to Fremantle to be containerised.

I hope the Government will recognise the need to use road transport for the cartage of wool to Albany and permit loads of 5,000 bales to be prepared for shipment at this port. If this is done it should result in a considerable saving to the wool-growers; firstly, in the difference between the charges of the two shipping lines—the conference line and the charter line—and,

secondly, the difference between the Australian average price and the "line of voyage" price, because Albany is in direct line with Europe, whereas Fremantle, particularly, is not even on that line of voyage, and the ships have to be diverted in order to call at Fremantle.

In addition to this, of course, there is an obvious saving to the farmers if they can cart their wool in their own trucks instead of loading the bales onto rail and having somebody else employed to take the wool off rail at the other end. Needless to say this would ensure Albany being retained as a wool-selling centre. At present its future in this regard is very doubtful, because now only 175,000 bales of wool a year are being handled by the Albany wool store, and it is obvious that about 300,000 bales are required to enjoy any economy of scale.

I also point to the impending wage increases. I think members appreciate that a 10 per cent. wage increase is coming up. As wages represent one-third of the cost of wool production, 10c to 13c in the price of wool represents the cost of labour. If 10 per cent. is added to this figure, needless to say it represents at least another 1c rise in the cost of wool production. Then, of course, there are other inputs in regard to wool production which will rise with an increase in wages, such as the cost of superphosphate and machinery. I have pointed this out only to show that the guaranteed price by the Commonwealth Government will, unfortunately, dissipate with the rise in costs.

We have heard that Britain's entry into the European Common Market will not have a very great effect on Western Australia; not only do the orchardists but also the woolgrowers in my electorate find this hard to believe. There are two reasons for saying this.

Firstly, when one reads the answer to a question asked in this House on this matter one sees that Western Australia exports a great quantity of lamb to Britain, and we are very dependent upon this market, for it is peculiar to Western Australia that the State can get its lamb into Britain before any other State of Australia or New Zealand. Undoubtedly, the effect of Britain's entry into the Common Market will be great, for there is already a 2c duty on our lamb to enter that market and it is expected the duty will rise to 20 per cent.

The other reason why I queried the assertion that Britain's entry into the Common Market will not affect us is the result that it will have on prices when Britain loses its Empire preference, and this means a reduction in import duty from that country. What will happen to the price of goods which we import from that country? Do the prices go up or do

the tariffs come downs? I think that most people will agree that the prices are more likely to rise.

I have endeavoured to outline the problems of my electors. I know there are many facets which perhaps I should have dealt with; but undoubtedly the opportunity to do so will come later in the session when the various Bills are debated.

There are two points which my electors wish me to make, but I do not know whether it is the practice to do that in one's maiden speech. Firstly, I refer to the attitude of the Government on the standardisation of the railway line between Kambalda and Esperance. The people of Esperance were staggered when the Premier refused the offer of a loan from the Western Mining Corporation to carry out this undertaking. We feel that standardisation of the line is essential to our district and to the port. Without it we will fall 20 years behind.

By tradition Esperance has always been the port to serve the goldfields, but without standardisation of the railway line Kwinana will ultimately get most of the traffic. I feel that unless this line is standardised the word "decentralisation" will be meaningless. This is where the Government has a great chance to show its intentions.

I note that the Labor representative of Albany in the Legislative Assembly was reported in *The West Australian* as having said that he was astounded at the interest that members of the present Opposition were showing in Albany. May I answer that by saying that while I am a member of this Parliament I will ensure that the party to which I belong will be looking after the interests of Albany. I support the motion.

**THE HON. V. J. FERRY** (South-West) [5.04 p.m.]: In taking this opportunity to support the motion I would like to express my regret at the passing of a number of members and former members of this House in recent times. I feel it is sad that we have lost so many in such a short period. May I add my condolences and very respectful sympathy to the loved ones they left behind.

I should also like to congratulate and welcome, in my personal way, the new members of this House. I trust that their experience here will be a rewarding one, and I am looking forward to hearing more from them as we undoubtedly will in the period ahead.

I take this opportunity to register my disappointment with the protracted delay of the Western Australian timber interests, supported by the Government, in establishing a wood chip industry in the south-west of this State. In saying that I do not reflect in any way upon those who are

endeavouring to negotiate on behalf of Western Australia with the Japanese interests.

I would like to refer to what has actually happened in respect of wood chips in other parts of Australia. Firstly, I refer to a statement made by the Commonwealth Minister for National Development (Mr. Swartz) on the 5th October, 1970, when he said that he had approved of a contract for the export of nearly 7,000,000 tons of wood chips from Northern Tasmania. This is destined for Japan. The contract is between an Australian company, Associated Pulp and Paper Mills Ltd., and two Japanese importers—Mitsubishi Shoji Kaisha Ltd. and Sumitomo Shoji Kaisha Ltd. I understand that the wood chips will be supplied at the rate of 600,000 tons green weight per year for about 11 years, beginning in October, 1972.

This project will be based at Bell Bay in Tasmania. The raw materials for it will come from timber cut from Tasmanian forest lands, or, more correctly, from Crown forests in Tasmania; and also from sawmill waste and private forest concerns. I think it is very important that we realise this wood chip industry is capable of taking advantage of what have hitherto been known as forest waste products. There has been an enormous waste of wealth in the handling of timber in days gone by.

This particular project is in a most fortunate position, because we find the firm of Associated Pulp and Paper Mills Ltd. can now go ahead with its wood chip operation, for the future development of a very significant industry. This is based on the natural resources of northern Tasmania.

The company has already agreed with the Tasmanian Government to bring forward by four years, from 1982 to 1978, the commencement of a 500 tons a day pulp mill near Devonport. So, this will be of tremendous advantage to Tasmania.

I could also mention that Mr. Swartz is reported to have stated on the 29th November, 1970, that he had approved of another contract for the export to Japan of approximately 9,000,000 tons of wood chips, again from northern Tasmania. This time the contract is between an Australian company, Northern Woodchips Pty. Ltd., and Yamamoto Sangyo Co. Ltd. of Japan. This all-Australian company is to supply chips at the rate of 700,000 tons a year for 15 years, beginning in January, 1972.

One of the interesting conditions under which this company will operate is that the agreement contains a special condition of approval. The company will be obliged to undertake to commence within five years a reforestation programme of not less than 5,000 acres a year, and to maintain that rate thereafter. That is a fairly substantial rate of reforestation.

I would like to repeat the rate again—5,000 acres a year, and to maintain that rate thereafter. This, I feel, underlines the value of this type of industry. It is one which Western Australia would dearly love to establish, because not only are we harvesting timber but we are also putting back another crop. This is just another form of agriculture.

A further consideration provides that the company, subject to obtaining a profitable market for the sale of pulp, will commence construction of a pulp mill in Australia; and this will be done within a period of 10 years, to be completed within 15 years.

Here again, this adds to the value of this type of industry and to the depth of its establishment. I am particularly pleased to note in respect of all this that both projects will be financed within Australia, and by Australian interests.

I have referred to what is going on in Tasmania at the present time. Now I wish to cross the Bass Strait, and point out that in New South Wales as was reported on the 28th December last, the first 22,000-ton shipment of hardwood chips was despatched from the south coast of that State, and the chips came from the forest country at the back of that outlet. The chips were being loaded at Twofold Bay. So New South Wales and Tasmania have benefited from this type of industry—one which is very new to Australia. It was only in the last few years that the establishment of such industries was possible.

A plant was established at Twofold Bay by Harris-Daishowa (Australia) Pty. Ltd., and this will produce 750,000 tons of chips for manufacture into paper in Japan. The chips will go to Japan for conversion into paper.

To support this type of industry, most of the timber in New South Wales will come from the State forests. I do not believe it will come from private forests, but only from Crown forests. It is expected that this project will eventually become a \$10,000,000 a year export industry. If it adopted every year a reafforestation programme it could become a continuing industry, supplying the world demand for this type of product.

With that background it is, indeed, disappointing to me, particularly as I represent an area in the south-west of the State which contains large tracts of forest country and where a great deal of timber activities take place, to find a continuing frustration of effort in trying to establish a wood chip industry based on the hardwoods of this State.

To bring ourselves up to date, I was grateful for an answer to a question which I asked the Leader of the House on the 20th July last. In the answer he was good enough to set out the current position.

At this point I register my disappointment, but I wish the continuing negotiations every success. I have never wavered in my faith that this industry will become established. It will be of tremendous benefit to the timber industry as a whole but, unfortunately, it is taking a great deal longer to finalise than we had hoped.

The wood chip industry would be of tremendous benefit to the timber industry as a whole at the sawmill level. At that level there is an enormous waste of perfectly good timber which could be chipped for other purposes. It is just a matter of utilising this natural resource, the same as it is being utilised in Tasmania. The industry would benefit the workers in Western Australia, and would be of economic assistance to Western Australia as a whole.

I hope the negotiations will be pursued with the utmost vigour. It appears that the Japanese milling interests are reluctant to reach a stage of finality at the present time. Apparently there is a sufficient supply of hardwood chips available for the time being. I particularly mention hardwood, and by way of clarification my understanding is that there is a tremendous demand for softwood chips. However, that is another story.

If we were richly endowed with large acreages of softwoods we would have no trouble in establishing a chipping industry. However, our natural reserves of softwoods in this State are small, and our timber industry is based on hardwoods. That is the reason for the reluctance on the part of the Japanese interests to finalise contracts. The Japanese interests have signed up long-term contracts in Tasmania and New South Wales and, I think, they might even have contracts with other countries throughout the world.

We cannot afford to let this opportunity pass; we must succeed in this contract, as I hope we will. I am extremely disappointed that up to this time the Eastern States and Tasmania have been able to develop their natural resources. We need the industry, desperately; and, as I have already mentioned—and I have no doubt it will be mentioned again—this form of forestry harvesting is not taking away something which can never be replaced. The forestry areas can be replanted with other species of trees, depending upon the demand for this type of product.

I wish the negotiations well and I trust they will be successfully concluded in the not too distant future.

Debate adjourned, on motion by The Hon. F. R. White.

*House adjourned at 5.20 p.m.*