

JOINT SITTING Legislative Council and Legislative Assembly

Tuesday, the 9th August, 1966

CONTENTS

Page

JOINT SITTING—

Senate Vacancy : Election of Senator	157
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SENATE VACANCY

In accordance with the Standing Orders passed by both Houses of Parliament and approved by Executive Council, the members of the Legislative Council and the Legislative Assembly met in joint sitting in the Legislative Council Chamber to fill the vacancy in the representation of Western Australia in the Senate of the Federal Parliament caused by the death of Senator The Hon. Sir Shane Paltridge, K.B.E.

The President of the Legislative Council (The Hon. L. C. Diver), in accordance with the Standing Orders, took the Chair at 4.40 p.m. He was accompanied by the Speaker of the Legislative Assembly (The Hon. J. M. Hearman).

Election of Senator

THE PRESIDENT: This joint sitting has been called to choose a person to hold the place in the Senate of the Commonwealth of Australia rendered vacant by the death of Senator the Hon. Sir Shane Paltridge, K.B.E., notification of which has been reported to each House by His Excellency the Governor. I now call for nominations to fill the vacancy.

MR. BRAND (Greenough—Premier): I move—

That Reginald Greive Withers, Solicitor of Spencer Street, Bunbury, be elected to fill the vacancy in the Federal Parliament due to the death of Senator the Honourable Sir Shane Paltridge, K.B.E.

I have Mr. Withers' assurance that, if elected, he is prepared to act.

MR. NALDER (Katanning—Minister for Agriculture): I second the motion.

THE PRESIDENT: Are there any further nominations for the position? There being no further nominations, I declare that Reginald Greive Withers has been elected to hold the vacant place in the Senate. That concludes the joint sitting.

The President left the Chair.

Legislative Council

Tuesday, the 9th August, 1966

CONTENTS

Page

ADDRESS-IN-REPLY: FIFTH DAY

Speakers on Amendment to Motion—

The Hon. V. J. Perry	171
The Hon. A. F. Griffith	180
The Hon. J. Hellman	189
The Hon. E. C. House	189
The Hon. P. R. H. Lavery	184
The Hon. R. H. C. Stubbs	188
The Hon. W. F. Willesee	197

Speakers on Motion—

The Hon. G. E. D. Brand	171
The Hon. F. D. Willmott	173

QUESTIONS ON NOTICE—

Electricity Supplies : Domestic Consumers	158
Geraldton Hospital : Conversion to Geriatrics Home	159
Motor Vehicle Thefts : Number, Recovery, and Damage	158
Roads—Lower South-West : Expenditure, and Programme of Work	159
Standard Gauge Railway—Kalgoorlie Service : Timetable and Bus Connections	158
Sulphur : Imports and Cost	159
Underwater Blasting—Cockburn Sound : Compensation Claims	158

SENATE VACANCY—

Governor's Message	157
Filling of Vacancy	157

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

SENATE VACANCY

Governor's Message

Message from the Governor received and read transmitting a copy of a despatch received by him from the President of the Senate of the Commonwealth of Australia, notifying that a vacancy had occurred in the representation of the State of Western Australia, in the Senate, Senator Sir Shane Paltridge, K.B.E., having died on the 21st January, 1966.

Filling of Vacancy

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.35 p.m.]: I move—

That with reference to Message No. 1 from His Excellency the Governor, the Honourable the President be requested to confer with Mr. Speaker in order to fix a day and place whereon and whereat the Legislative Council and the Legislative Assembly, sitting and voting together, shall choose a person to hold the place of Senator whose place has become vacant.

Question put and passed.

THE PRESIDENT: With reference to Message No. 1 from His Excellency the Governor and in conformity with the Joint Standing Rules and Orders relating to the election of a Senator to the Federal Parliament, arrangements have been made whereby a sitting of the Legislative Council and the Legislative Assembly will be held in the Legislative Council Chamber forth-

with for the purpose of electing a person to fill the vacancy notified in His Excellency's Message.

Sitting suspended during the joint sitting of both Houses to elect a Federal Senator (vide report ante) from 4.36 to 4.45 p.m.

QUESTIONS (7): ON NOTICE UNDERWATER BLASTING

Cockburn Sound: Compensation Claims

1. The Hon. R. THOMPSON asked the Minister for Mines:

- (1) Is the Public Works Department the controlling body for the present underwater blasting in Cockburn Sound?
- (2) In view of the fact that some 30 written complaints of damage to property have been lodged with the Kwinana Shire Council, alleged to have been caused by this underwater blasting, who is to be held responsible for the repair to this damage—the Government or the contracting company?
- (3) If the company concerned is responsible, will individual ratepayers have to initiate private action to satisfy their damage claims, or will the Government take similar action to effect the repairs or compensate for the damage, as was done in the Toodyay area during the construction of the standard gauge railway?
- (4) When can ratepayers and the shire council expect an inspection and investigation of their claims?
- (5) Will the department supervise all further blasting by having experienced officers present on the boats from which the work is being carried out, to:
 - (a) control the amount of explosive being used for each blast; and
 - (b) the frequency of the blasts?

The Hon. A. F. GRIFFITH replied:

- (1) No; it is the Fremantle Port Authority.
- (2) The contracting company (Dredging Industries (Australia) Pty. Ltd.) has instructed that all claims be directed for their attention.
- (3) All claims will be dealt with by the company.
- (4) All claims have been referred to the company's legal advisers, and the matter is now in their hands.
- (5) No. The company advises that the amount of explosives being used is in conformity with safe operating limits as advised by the Mines Department.
The company is fully conscious of its responsibilities in this regard and is most careful that the Mines Department's requirements are being observed at all times.

STANDARD GAUGE RAILWAY

Kalgoorlie Service: Timetable and Bus Connections

2. The Hon. R. H. C. STUBBS asked the Minister for Mines:

- (1) Has a passenger timetable been arranged by the W.A.G.R. for arrival and departure of trains from and to Kalgoorlie when operating under standard gauge?
- (2) If so, what are the details?
- (3) What connecting arrangements will there be for road bus passengers from the Kalgoorlie-Norseman-Esperance route, arriving at and departing from Kalgoorlie?

The Hon. A. F. GRIFFITH replied:

- (1) No. This service will not commence before 1968 and it is premature to go firm on passenger timetables.
- (2) Answered by (1).
- (3) Answered by (1). The needs of passengers using connecting services will be taken into account in planning standard gauge services.

MOTOR VEHICLE THEFTS

Number, Recovery, and Damage

3. The Hon. H. R. ROBINSON asked the Minister for Justice:

- (1) How many motor vehicles were reported stolen throughout the State during the months of May, June, and July, 1966?
- (2) How many of these vehicles have:
 - (a) not been recovered; and
 - (b) been recovered in damaged condition?

The Hon. A. F. GRIFFITH replied:

- (1) May 123.
June 114.
July 152.
- (2) (a) Fourteen vehicles; being eight cars and utilities, and six motor cycles.
(b) Four badly damaged.
Twenty slightly damaged.

ELECTRICITY SUPPLIES

Domestic Consumers

4. The Hon. C. E. GRIFFITHS asked the Minister for Mines:

Will the Minister advise the House the total number of domestic consumers of electricity, including flats separately metered, who were recorded as having used 180 units or less for any completed quarter during the following periods:—

- (1) The twelve months ended—
 - (a) the 31st December, 1964; and
 - (b) the 31st December, 1965?
- (2) The six months ended the 30th June, 1966?

The Hon. A. F. GRIFFITH replied:

I am advised that in order to obtain this information it would require a great deal of clerical time and effort in the examination of approximately 160,000 accounts involving 1,600,000 entries.

If the information is of such importance and the honourable member insists, it can be obtained, but, I repeat, at considerable time and effort.

SULPHUR

Imports and Cost

5. The Hon. R. H. C. STUBBS asked the Minister for Mines:

(1) How much sulphur was imported

Country of Origin	1964/65		Western Tons	Australia \$ Per Ton*	Tons	\$ Per Ton*	1965/66		Western Tons	Australia \$ Per Ton*
	Tons	\$ Per Ton*					Tons	\$ Per Ton		
Canada	175,664	16.17	42,819	16.52	175,063	21.8	30,294	20.39		
U.S.A.	135,131	16.74	24,203	16.17	189,671	22.3	80,523	24.73		
Mexico	63,039	20.16	23,775	19.05	41,590	25.2	4,480	21.88		
Other	25	24.22	29	30.5		
Totals	374,459	17.07	90,797	17.12	407,253	22.7	115,302	23.48		

* F.O.B. port of shipment.

(3) Higher world prices of sulphur.

GERALDTON HOSPITAL

Conversion to Geriatrics Home

6 The Hon. J. HEITMAN asked the Minister for Health:

- (1) As the new regional hospital in Geraldton is to be opened this year, has the Government given consideration to fitting the present hospital up as a home for geriatrics?
- (2) If so, what help will be needed locally for the successful operation of the venture?

The Hon. G. C. MacKINNON replied:

- (1) and (2) The future of this hospital is still under consideration. The Government is anxious to establish a complete aged care organisation in Geraldton. To this end a great deal of consideration is currently being given to the future use of the Victoria, Maternity and Rosella hospitals. Care of the aged, however, is not limited to hospitals only, and in pursuance of its recently enlarged policy the Government is endeavouring to facilitate the expansion in Geraldton of social activities for the fit, meals on wheels and allied domiciliary and accommodation services for the frail, and hospital care for the aged. None of this can be accomplished until after the opening of the regional hospital.

into Australia and Western Australia during the years ended the 30th June, 1965, and 1966 from—

- (a) Canada;
 - (b) U.S.A.;
 - (c) Mexico; and
 - (d) other sources?
- (2) What was the cost in Australian currency per ton?
 - (3) If there is a cost per ton increase, what would be the reason for it?

The Hon. A. F. GRIFFITH replied:

The answer to (1) and (2) of this question is in the form of a schedule as follows:—

ROADS

Lower South-West: Expenditure, and Programme of Work

7. The Hon. J. M. THOMSON asked the Minister for Local Government:

Further to my questions of the 3rd August, 1966, will the Minister inform the House:—

- (1) What is the amount proposed to be spent this year on the Lake Grace-Pingrup section of the Lake Grace-Albany road?
- (2) How much of the section not primed or sealed at present will be:—
 - (a) constructed and gravelled?
 - (b) reconditioned and primed; and
 - (c) sealed?
- (3) What mileage of gravel road will remain between Lake Grace and Pingrup at the end of this financial year?

The Hon. L. A. LOGAN replied:

- (1) \$90,800.
- (2) (a) 5.2 miles.
(b) 7.6 miles.
(c) 4.6 miles.
- (3) Ten miles.

ADDRESS-IN-REPLY: FIFTH DAY

Amendment to Motion

Debate resumed, from the 4th August, on the following motion by The Hon. V. J. Ferry:—

That the following Address be presented to His Excellency the Governor

in reply to the Speech he has been pleased to deliver to Parliament:—

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.

To which The Hon. H. C. Strickland had moved an amendment—

That the following words be added to the motion:—

but we regret the Government has not foreshadowed any move to abolish or substantially reduce the heavy burden placed upon the costs of production and the cost of living throughout the country areas by the Road Maintenance (Contribution) Act, No. 69 of 1965.

THE HON. A. F. GRIFFITH (North Metropolitan — Minister for Mines) [5 p.m.]: The Standing Orders of this House provide that an amendment to the Address-in-Reply can be moved, and history shows that from time to time such a move has been made by a member who felt for some reason or other that he should bring to the notice of His Excellency a certain state of affairs. This is usually done, because in the opinion of that member moving the amendment there is just cause for his action; but I must say to honourable members on this occasion I find it extremely difficult to understand why Mr. Strickland thinks he has just cause in this particular case.

Parliament gave the Bill to which he has just referred—and which is now an Act—passage through both Houses of Parliament last year, and this Act became operative approximately four months ago. Yet without any trial and without finding out what has been happening as a result of the charge that is imposed by this legislation, the Government is being admonished by the honourable member by drawing to the attention of His Excellency the Governor—these are the words of his amendment—"But we regret the Government has not foreshadowed any move to abolish or substantially reduce the heavy burden placed upon the cost of production," and so on.

Is it fair to expect that at this point of time, after four months of operation, the Government could be asked either to abolish or substantially reduce this particular charge? If this were the case, and if we were able to do that at this point of time, then it could be said with some justification that the Bill passed by Parliament last year was hastily conceived and should not have been placed on the Statute book at all. But that is not the case by any manner of means, because as I make

my remarks on the amendment before us—and I oppose it—I will demonstrate that the points of view and some of the grounds of Mr. Strickland have no foundation.

It is interesting to note that the wording of this amendment is identical with an amendment moved in another place. It is also interesting to note that the grounds, or the basis for putting the amendment forward in another place, were not far removed from those on which Mr. Strickland based his case. This may be a coincidence, but I find it difficult to understand. Mr. Strickland drew our attention to a number of factors. He said, in endeavouring to give support to the amendment he had moved, that the Road Maintenance (Contribution) Act had brought upon the people of the north and the people of the State generally an impost they were not able to stand. During the course of my remarks I shall tell the House the extent to which this charge was responsible for increasing prices.

Before I do that I think it would be appropriate for me to pass some remarks generally on the points raised by the honourable member. First of all he said the situation in Wittenoom was this: The relatively high cost of living had caused the people to move out of that town. The situation is, I think, the workers in Wittenoom are relatively highly paid, and it is perhaps the climatic conditions in and around Wittenoom which cause them to shift. It certainly could not have been the imposition of the road maintenance charge which has been in operation for a period of four months.

Let us consider the road transport services to Wittenoom. Freight increases were necessary because of the uneconomic rate at which the company concerned had been operating for some years; and if the rates had been increased to keep them in line with costs generally, the freight rates reputed to be due to the road maintenance charge would have been relatively a lot lower than they are now. In fact, the town had enjoyed unrealistically low rates for some time—I think members from the north will be aware of this—and these were in no way related to the cost of operations.

Public tenders were called for this service, and there were no increases in freights from February, 1961, until 1966. During this period the Federal basic wage increased by 19 per cent. and the State basic wage by 14 per cent., and consequently related costs must have increased.

In replying to Mr. Strickland's remarks regarding the situation in Carnarvon, it is important to give this example: The effect of the charge on a 23-ton refrigerated semitrailer with a tare weight of 17 tons carting perishable goods to Carnarvon is that the operator pays slightly less than \$2 per ton for the trip, and this works out at one-tenth of a penny per pound weight if the whole of the increase is passed on.

The Hon. H. C. Strickland: What are the comparative charges?

The Hon. A. F. GRIFFITH: I have some notes on which I am basing my comments, and if there are any points which I fail to raise the honourable member can tell me about them later on. I emphasise that this is not quite the back-breaking imposition which we are led to believe has been imposed on the outback.

I think it is fair to compare this one-tenth of a penny per pound increase with the actual decrease in the cost of transporting beans and other produce from Carnarvon to Perth. This cost is at present less than it was in December last year. Prior to the 14th February, 1966, the rate was equivalent to 1.04c per pound; the rate after the 14th February, 1966, was 1.01c per pound, which is a reduction of .03c per pound. Whilst it is appreciated this is not a great reduction, I suggest it does emphasise the benefits which will accrue to outback districts when substantial amounts of road maintenance contributions have been collected, and have enabled the upgrading of roads, which will enable carting contractors to submit lower contracts with a consequent reduction in freight, to be effected.

I will draw the attention of the House later on to this particular point and to the importance of having good roads, and I shall re-endorse some of the remarks which were made by Mr. Strickland last year when he took part in the debate on the Bill in this House. Let us take the cost of cattle transport. The figures of costs, per head of cattle, given by one operator for 1965 and 1966 are as follows:—On the Fitzroy Crossing-Derby service, the cost in 1965 was 48s. or \$4.80 per ton, and in 1966, \$5.00, or an increase of 20c. On the Fitzroy Crossing-Broome service, the cost in 1965 was 65s. or \$6.50, and in 1966, \$7.60, or an increase of 90c. On the Halls Creek-Broome service the cost in 1965 was 121s. 6d., or \$12.15, and in 1966, \$13.35, or an increase of \$1.20.

In the course of his remarks Mr. Strickland suggested that the kill through the Wyndham Meat Works this year would drop by some 8,000 to 10,000 head. This is worth examination. In 1965 the Wyndham Meat Works processed 23,523 head, whereas up to the 30th July, 1966, it had processed 19,243 head, and as the season is not expected to close until the end of August a drop in the numbers, as suggested by the honourable member, does not seem probable.

The Hon. H. C. Strickland: I did not say that. I said that there was a reduction in the number of cattle sent to Wyndham from the Northern Territory, because of the extra charge.

The Hon. A. F. GRIFFITH: That does not add up, because in 1965 there were 23,523 head processed, and up to the 30th July, 1966, there were 19,243.

The Hon. H. C. Strickland: I did not say anything about that.

The Hon. A. F. GRIFFITH: But I am saying something about it. If the honourable member had said something about that he would not have been in a position to give the figure of 8,000 to 10,000 head as the reduction in the number. Furthermore, the present indications are that the input of the Broome Meat Works will be virtually the same as it was for 1965. Whilst there is a considerable amount of road haulage undertaken by interstate road vehicles which have travelled pickaback from the Eastern States to Parkerton, and quoting the words of the honourable member, those cattle are being transported to the Northern Territory, to Katherine, or "somewhere else", he must appreciate that the interstate movement of cattle by road train is subject to payment of the road maintenance charges whilst the vehicle is operating in Western Australia. Regarding the interstate operators, they must contribute their share whilst they are operating in our State.

As Mr. Strickland also mentioned, the goods and the machinery that are required for the iron ore projects have been transported by road north of Geraldton, and as a consequence these vehicles were liable for payment of the road maintenance charge. Thus they made their contribution towards their use of such roads.

Improvements in living conditions, whilst maintaining a reasonable cost level, will be possible with the greater improvements in roads, and these roads are, in turn, a major factor in keeping down operating costs and in keeping them to a minimum. Only today I was looking at some related figures concerning various types of roads—the road that is unsealed, the road that is partly prepared, and the road which is fully bituminised. We can see that the highly improved road between Perth and Carnarvon keeps down the level of the cost of transport to a very appreciable extent. This is what the Government is seeking to achieve by the collection of the road maintenance charge, which was authorised by Parliament when it passed the legislation last year.

Mr. Strickland appeared to have some doubt that the road maintenance contribution funds, levied on road hauliers in remote areas, would be spent on roads in these remote areas. If I recall rightly he said "the road hauliers in that area may be contributing to a fund the moneys in which are used to repair many city roads which are affected by wet weather. Were this to be done it would represent a complete and absolute turnabout in the policy on main roads—of which we are well aware—and which has been carried out for many years past. It has been carried out not only by this Government, but also by the Government of which the honour-

able member himself was a Minister. Such a step would also mean a complete change in the policy of the spending of the petrol tax collections in country areas.

I am sure the following figures will be interesting to honourable members. Of the funds collected, about 60 per cent. to 65 per cent. of fuel tax and other road funds are paid by people from the metropolitan area. But in the last two years approximately 90 per cent. of the funds have gone to country areas. Last year, 28 per cent. went to the north-west and I suggest good results have been achieved in that area as a result of this expenditure.

Honourable members may be interested to know that with respect to the funds which will become available through the Road Maintenance (Contribution) Act, the Main Roads Department has programmed to spend a total of about \$1,850,000 during the financial year. It could well be that the amount available will be considerably higher. Nevertheless, the point I wish to emphasise is that of this figure of \$1,850,000, no more than 1.85 per cent. has been programmed for expenditure in an area within a 20-mile radius of the G.P.O., Perth. I repeat: 1.85 per cent. Therefore, the fears expressed by Mr. Strickland are surely without any foundation at all; at least, beyond the extent of 1.85 per cent!

As I indicated on the 4th August, when the honourable member asked me a question, no less than \$239,000 of road maintenance funds have been programmed for expenditure in the Kimberley district alone this financial year. On the same occasion I informed Mr. Strickland that the Main Roads Department had allocated an additional \$1,800,000 for expenditure in the Kimberley district under the Commonwealth Aid Roads Act, 1964. This amount is in addition to \$1,500,000 allocated for expenditure in the Kimberley district under the Commonwealth beef road grant. The honourable member can therefore have little doubt as to the huge main road expenditure contemplated throughout the Kimberley district at the present time.

I rightly believe that I have answered the question raised by the honourable member prior to his final and concluding remarks when he moved this amendment; but before resuming my seat I want to take the opportunity to reiterate some of the important reasons why the Road Maintenance (Contribution) Act was introduced in this State.

We all know that Western Australia receives very favourable consideration from the Commonwealth in regard to road funds—very favourable consideration indeed. Other States are envious of the treatment we receive and, in fact, it would be safe to say that those other States desire to have it altered. We endeavour to retain the existing system because we would have more problems than the other States in the remote areas if it were altered.

Honourable members can well imagine

the embarrassing position in which the Premier of this State could be placed at the next Premiers' conference were it decided to make no effort to obtain this fair share of the substantial funds which the Commonwealth is willing to allocate on a pound for pound basis. I think we have an absolute responsibility to do this because, if we do not, this important contribution by the Commonwealth will be lost. The result would be that we would not have as much money to spend on roads as we will have by applying this charge.

While the provisions in this Act will enable us to catch up with interstate hauliers, this was not the fundamental reason for the introduction of the road maintenance charge. In a general survey of the finances available for road purposes, the Government took account of all sources for raising the required money and finally decided that the road maintenance charge was the best method to obtain the necessary funds. This was because the vehicles which are damaging the roads should be the means by which we meet the cost of repairing them, and building new roads.

Admittedly, we can expect this increased cost to be passed on—this is a natural corollary. However, the figure represents only a minute fraction of road transport operational charges. Hauliers would subsequently be hard pushed to substantiate any excessively high increase in contract prices.

I think I should mention that the Commonwealth Grants Commission had pointed out that Western Australia, as a claimant State, was not imposing the road maintenance charge, while both New South Wales and Victoria were. We know only too well, with the financial arrangement that exists between the Commonwealth and the States, that once the standard States impose a charge we have one of two alternatives to follow. We can increase the basis of whatever the charge is in Western Australia and get the benefit which the Grants Commission gives to us as a result of the increase. The alternative is to not do it and be penalised as a result.

I have said in this House on many occasions, when replying to supply Bills and speeches on the Address-in-Reply in an endeavour to give information to honourable members who have complained about why something was not done here and something was not done there—I have to answer why a school has not been built, and why a hospital has not been built—that the basis of it is that there is not money available to the Government to provide services that the State needs, and to fulfil the requirements that honourable members of this House, and another House, demand for the people they represent from time to time. I repeat: We have a responsibility to do what we are doing, and any Government that is in office in this State, either at the present time or in the future, will find itself faced with these problems.

I do not think it is necessary, at this stage, to enter into further discussion on the comparison of similar legislation in other States. We spent a long time on that last year. We debated this Bill at considerable length, but I would again remind honourable members that in Western Australia we are imposing this charge on vehicles of eight tons and over, whereas in Victoria and New South Wales the basis is four tons. I think this is a far-reaching difference in our favour.

The Hon. F. R. H. Lavery: I do not think the legislation would have gone through if the Country Party demand had not been agreed to.

The Hon. A. F. GRIFFITH: Has the honourable member been going to that party's meetings? It would probably do no harm if he did attend some meetings.

The Hon. F. R. H. Lavery: If the Minister went to some of ours he would learn something.

The Hon. A. F. GRIFFITH: Perhaps all of us could learn something. Getting back to the subject, I have made some inquiries regarding administration costs. This was a subject which was strongly debated in this House last year. I believe there have been some very uninformed opinions on this particular matter, and I would like to take the opportunity to let members know what the position is. It appears that the administrative costs in connection with the road maintenance Act are not going to be 15 per cent., or 10 per cent., or 7½ per cent. If I remember correctly 7½ per cent. was the figure estimated last year. It appears that the handling costs will be in the vicinity of five per cent. of the collections.

This figure is confidently predicted and it appears likely that the administrative charges will not exceed that small percentage. The prediction is that our charges will be the least of any State in Australia. I am sure all honourable members will join with me in hoping that this will prove to be the case.

It is not possible to indicate to members the actual figures that will accrue as a result of the collection charge. The Act was put into operation on the 1st April, as I said in my opening remarks—approximately six months ago—and the flow of money from it commenced early in May, 1966. That means it is four months since the money started to come in; May, June, July, and August.

Honourable members can be assured that with respect to road hauliers who have not yet made payment—and there are some—it is intended to take whatever steps are necessary against them. This includes interstate hauliers in respect of whom we are receiving assistance from the authorities in the Eastern States, who, of course, are implementing similar legislation. The fundamental, in laying a charge, is to determine the ownership of the vehicle involved.

As I have already mentioned, it is not easy in the initial stages to assess how much will be raised. We have to take into account seasonal and other conditions, and these could alter the amount quite considerably; that is, the amount that is eventually raised from the charge. Therefore, no accurate indication can be given of the amount it is expected to receive this financial year.

Bearing in mind the remarks of The Hon. Mr. Strickland last year, when he was speaking to the road maintenance Bill, we have a very good example and some very good evidence produced by him to show what an improved road can do. Mr. Strickland showed what a good road could mean to people who depended on that road for the transport of their supplies. On the 3rd November last, he had this to say—

Carnarvon, because of the splendid road, enjoyed a remarkable reduction in the cost of foodstuffs over the past seven or eight years. That is a remarkable reduction as against what costs were. I am not saying the costs are not higher, but the costs today in proportion to the basic wage and the value of money are certainly much lower. In fact, food prices in Carnarvon are lower than at Geraldton, and that is because of the excellent road and transport service which is available.

And then the honourable member went on to say—

However, the people are going to lose that advantage.

I shall now tell members what this advantage will cost in a monetary sense: Less than one-tenth of a penny in the pound. That will be the extent of the additional cost in order to provide the money for the type of road which will, in the long run, bring down the total cost of road transport in the north. That is what the honourable member himself demonstrated to us last year.

Apparently that is one of the reasons why Mr. Strickland has moved the amendment to the Address-in-Reply and I submit that in my preceding remarks I have been able to provide facts which in themselves should remove doubts which exist in the honourable member's mind, and which may exist, perhaps, in the minds of some other members. I do not think the dire consequences which Mr. Strickland predicts are likely to eventuate; if they did they would rebound on to the heads of the road hauliers themselves and would result in a loss of custom.

The Government has set the way for the collection of the charge and, as all members know, has indicated where the money will be spent. I believe this move by the honourable member to amend the Address-in-Reply—which is in conformity with what was done in another place—is merely to bring to notice a state of affairs which does not in fact exist.

I shall conclude on the same theme as I started: It seems remarkably strange to me that the Government is being taken to task, and this House is being asked to amend the motion which is to go to His Excellency, the Governor, in regard to an Act which, from the point of view of collections made under it, has been in operation for only four months. I oppose the amendment.

THE HON. F. R. H. LAVERY (South Metropolitan) (5.32 p.m.): I have no hesitation in saying I rise to support the amendment.

The Hon. A. F. Griffith: That is not a surprise.

The Hon. F. R. H. LAVERY: It could be said that that was obvious because of the Party I support. However, that is not true. While I appreciate the Minister's reply to the remarks Mr. Strickland made on Thursday last, when he moved the amendment, and realise that they must give the Minister a certain amount of satisfaction in that he was able to produce so much documentary evidence to this House, I would point out that what the Minister said a few moments before concluding his speech was not quite correct. The Minister said that this tax, which was imposed by an Act of Parliament passed last year, has in fact been of benefit to the people in the area concerned; or it has provided as much as could be expected in view of the short time the Act has been in operation.

I was one of those members who enjoyed to the full—and I appreciated the thought behind it—the tour of the north-west recently undertaken by members of Parliament. I enjoyed it particularly because I have been connected with transport since early January, 1920, and have been a financial member of the Transport Workers' Union since that date. Also, as a lad of 15, I drove camel teams over Mt. Jackson and through those northern areas. This was at about the time the first world war commenced, and therefore I know a little about the outback and of the disabilities suffered by the people living there. It is a marvel to me how the people who live, and who operate various industries in the outback went there in the first place, because they are so far away from the centre of things and particularly the facilities that are available in the metropolitan area.

I am one who believes that the people of the outback—I use that Australian term—deserve everything that can be given to them by any Government, an Act of Parliament, or the grace of God. When Mr. Strickland moved his amendment the other evening I recalled our plane trip to the north-west and the vast mileages that we covered. While we were flying we saw trucks travelling along some of the highways. The dust was streaming out for miles behind every vehicle and it makes one realise what heavy maintenance costs are involved because of the type of roads

the operators in the north have to contend with. Therefore, any effort made by a Government, or Parliament, to better the roads in the northern part of the State will eventually prove beneficial to that area.

While we were on the tour I met many people and talked to them, the same as I suppose other members did, and while we were at Kununurra I spoke to one of the local storekeepers who had bought a new truck a few days prior to our arrival—I was on the second section of the trip. This man told me he had bought the truck for only one reason—he had to pay £3,220 for it and he said that within 10 months, through carting his own goods, and even paying the tax levied by the department under the Act, he would be able to pay for the truck because he would not have to pay the exorbitant prices charged by contractors who normally cart goods to those areas. The exorbitant charges are brought about because of the tax being levied under the new Act.

The Hon. C. E. Griffiths: That doesn't make sense.

The Hon. F. R. H. LAVERY: It is all very well for Mr. Clive Griffiths to sit there and laugh about this. He, too, went up there and he cannot deny what I am saying.

The Hon. C. E. Griffiths: But that—

The PRESIDENT: Order!

The Hon. F. R. H. LAVERY: The tax is levied on any trailer and truck, or any vehicle over eight tons. Let us take the case of a man who lives in Cottesloe and who wants to have his truck serviced at Sydney Atkinson Motors Ltd. in Perth. He has to pay the tax for the journey from Cottesloe to Perth, even though his vehicle is empty. I have never denied what I said last year; in fact, I shall repeat it: The Country Party members were quite happy to assist in the imposition of this tax on transport operators when the limit was lifted to eight tons. I am sure those same members would not have supported the proposal had it applied to trucks of four tons, as is the case in the Eastern States.

The Hon. T. O. Perry: In South Australia it is eight tons.

The Hon. F. R. H. LAVERY: There is also the question of the beef carriers who are carting beef to Broome. In company with other members I went into the local hotel at Broome while we were on the trip and I did the right thing by shouting for a group of chaps. One of them said to me, "I do not know whether I should have a drink with you." When I asked him, "Why?" he said, "You are one of those fellows who imposed this terrific tax on the people in the north who are bringing the beef into the Broome Meat Works."

The Hon. A. F. Griffith: I bet you quickly enlightened him about that.

The Hon. F. R. H. LAVERY: I told him very smartly that it was an Act of Parliament, and whether we were in the minority or the majority we had to accept the condemnation which these people wanted to heap on our shoulders.

The Hon. W. F. Willesee: That surprises you, doesn't it?

The Hon. A. F. Griffith: It does.

The Hon. F. R. H. LAVERY: I know that huge sums of money, which will be collected by way of this tax, will be used for our roads. I have no doubt about that, and I also have no doubt, as Mr. Strickland said, that the money will be used for roads in the South-West Land Division of the State just as it will be used for roads in the north-west.

I should now like to quote some figures which will probably be of interest to members. In 1950 the number of licenses for the carriage of goods, issued by the Transport Board, totalled 933. In 1960 that figure had risen to 2,071 and in 1965 it had increased still further to 4,313. So over a period of 15 years the figure had risen by 360 per cent.

The Hon. V. J. Ferry: They show the progress of the State.

The Hon. F. R. H. LAVERY: Because of the new industries being established in the north of this State I would say that a third of the number I have quoted would relate to vehicles being used in those areas. I realise that the Government is trying to impose a tax on the interstate hauliers, and there is no doubt that they have made no contribution towards the upkeep of our roads. The only contributions they have made have been to the Commonwealth Railways, which system has done very well from its operation of the pickaback scheme. It is obvious from the figures I have quoted, which show an increase in the number of permits issued of 360 per cent. over a 15-year period, that Western Australia requires a solid road transport system—

The Hon. A. F. Griffith: How many of those vehicles were over eight tons?

The Hon. F. R. H. LAVERY: I would not know that. I could not answer that.

The Hon. A. F. Griffith: It is not unimportant though, is it?

The Hon. F. R. H. LAVERY: The Minister is asking a question in regard to the tonnage of vehicles and mileage and I do not have the figures. However, the ton mileage hauled under road permits and temporary licenses issued by the Transport Board has increased from 10,028,663 in 1950, to 22,625,000 in 1965, or an increase of 125 per cent. In the nine months for 1966 the figure has risen still further to 41,458,221. That is the number of permits issued for the nine months of this year.

The Minister did say that he was not able to assess what this tax will return. The figure will be a tremendous one. The

figures I have just quoted were taken from page 7 of the overall review of transport made by Mr. Wayne, and I would say that they are as near correct as one could possibly get them. The Minister also said that there has been no increase in costs since this tax was first levied. However, the one-man operator, and the fellow who has a couple of vehicles and employs another driver, are now out of business. They have had to go out of business.

There is a firm in Perth which handles secondhand semitrailers and it usually sells these trailers from £1,500 to £2,500. Four days ago there were 41 trailers in this firm's yards and it was not possible to get a price of £600 for a trailer. It is not possible to sell them because the smaller man is going out of business.

I would not like members to think that I am fickle about this matter, because I carefully noted quite a number of the things the Minister said in reply to the case put forward by Mr. Strickland. The Minister said there was no just cause for the amendment; there was no foundation for it; that both Houses produced the amendment at the same time. I think members will agree that it is not unusual when a motion of this sort is to be moved for it to be moved in both Houses at the same time.

The Hon. A. F. Griffith: I think you are mistaken when you state that I said there was no increase in costs.

The Hon. F. R. H. LAVERY: As I said, I have noted quite a number of the Minister's remarks. For instance, the Minister said that the cost per beast had risen from 48s. to 50s., from 65s. to 76s., and from 121s. 6d. to 133s. 6d.—that is, in the three districts to which he referred.

The Hon. A. F. Griffith: In that case, how can you reconcile that with the fact that I was supposed to have said there was no increase in costs?

The Hon. F. R. H. LAVERY: The Minister did say so.

The Hon. A. F. Griffith: I did not.

The Hon. F. R. H. LAVERY: The Minister quoted the figure of 23,523 beasts handled in 1965 at the Wyndham Meat Works, and said that 19,243 beasts had gone through the works up to some time in July this year.

It has never been my policy to state in this House what a Minister or a member happens to mention to me outside the House, and I do not propose to do so now. I will say, however, that when the matter of the lower kill at Wyndham was mentioned we were told that but for the new beef roads those cattle handled at the Katherine works would normally have gone to the Kimberleys. When I asked why this was so I was told it was due to the added cost imposed on the hauliers by this tax, and that because of this they were having to take cattle the other way instead of bringing them to Wyndham. Whether this

is correct or not, I do not know. But I am in a position to state that the costs imposed in the north should not have been imposed at all. Many concessions are made north of the 26th parallel. All sorts of concessions are granted to civil servants, and there are subsidies on fresh vegetables, and so on.

If there is any section of this State to which some consideration should be given it should be the long-distance hauliers in the north-west. I am not referring to those people who are carting to Albany and to Bunbury, because they are competing with the railways. I am speaking of the people in the north who have no alternative but to use road transport.

The amendment moved by Mr. Strickland should receive our full support, and we should let the Governor know that the people who are having to meet the extra charges because of this tax are not at all happy about it. It is all very well for the Minister to say that the administrative costs could be as low as five per cent. I would be the first to congratulate the Government department that was able to keep its costs down as low as that. But what about the administrative costs of the private owners; the private companies?

I know of one major carrier in this State having had to employ an extra staff of 15 clerks whose only work was to keep these records for the Transport Board. It might be said that, as a Labor man, I ought to be glad that this is giving people work. The point is, however, that the company in question will not carry the burden itself; it will pass the added cost on to the people in the north. I have no hesitation in saying that the company to which I refer is Bell Bros. The other large companies are also in the same boat.

The Minister mentioned the good road to Carnarvon; but each and every one of us knows that the maintenance costs of heavy duty vehicles at any time are very high. We also know that good roads have to be paid for, and that with good roads maintenance costs should come down. But how often do these costs come down? How often is the cost of transporting goods reduced? Very rarely.

The Hon. A. F. Griffith: According to Mr. Strickland the cost of living at Carnarvon is less than that at Geraldton.

The Hon. F. R. H. LAVERY: I have three very distinct impressions of my trip up north. I thought the trip was organised very well indeed, and that it must have proved of tremendous benefit to the State; it would not matter whether it cost the Government twice the amount it did. The whole trip was admirably thought out, and admirably executed. I am sure all members must have benefited tremendously from the trip up north. I daresay it could be asked why I, as a metropolitan member, should be shouting so loudly about transport costs up north. I do so because I believe my job in this House is to keep transport costs down so that the people in all parts of the State will benefit.

THE HON. R. H. C. STUBBS (South-East) [5.52 p.m.]: My remarks will be brief. I think I would be remiss in my duty if I did not say something about this matter, because the people in my area depend very heavily upon road transport; it is most important to the people in the Esperance district, to the goldmining industry, and to those on the Eyre Highway. There are no railways in that area, so road transport is an important factor. According to the booklet issued by the Chamber of Mines, the cost of the haulage and cartage of ore in relation to the goldmining industry has risen by \$33,000 for that portion of the year for which the tax has been in operation. Apart from this there would be an added impost of \$13,000 for the cartage of mining timber. These are costs that cannot be passed on; they must be borne by the industry, which is battling all the time.

In the Esperance district the farmers and graziers depend wholly and solely on road transport, with the exception of those few who are served by the Coolgardie-Esperance line. Those farming interests within a radius of 150 miles of the town of Esperance are most irate at the situation that has arisen. Some of the letters I have received and the verbal descriptions given to me as to what they think of the position do not bear repeating. As I have said, they are all most irate about the added cost. Some of the cartage contractors operating on the Eyre Highway may have one or two trucks, and they are not in the position to pass these costs on. These people are charged for every mile that is registered on the speedometer, whether they are carting on bush tracks or on no tracks at all. There should be some reduction of tax for the people in these areas.

I would like to quote one instance of added costs. On Sunday I was approached by a man who operates on the Eyre Highway. He told me that he had damaged two differentials in 30 days while he was carting on bush tracks, and it had cost him about £600.

The Hon. F. D. Willmott: Is that the only argument you can put up?

The Hon. R. H. C. STUBBS: That was the cost involved in securing two differentials and installing them. This man must pay the road maintenance tax; he cannot pass it on. The Main Roads Department is not giving him any more money for his truck. I think it is grossly unfair that these people should have to pay for the entire mileage recorded on their speedometers. I understood that these payments were only to be made in respect of roads controlled by the shire councils. But I am informed that the hauliers have been charged for mileage done on bush tracks and on tracks to gravel pits, and so on. I am most disappointed that no attempt has been made to reduce this road main-

tenance tax as it relates to people who are wholly and solely dependent on heavy haulage.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.56 p.m.]: I think this amendment moved by Mr. Strickland is quite justified, because there is no doubt that there is a general unrest throughout the State as a result of the heavy impact this tax is making in the pastoral and the farming regions where, I think it can be argued with legitimate force, the people are paying a dual tax. They pay a tax on goods imported to their properties, and also on the produce they export.

In the case of a town that is not served by a railway, or by a boat service the people of such township are called upon to meet the added burden of this tax. As explained by the Minister in the last session of Parliament, the purpose of the Road Maintenance (Contributions) Act was to raise a specific sum of money for the repair and maintenance of roads. I think the amount quoted then was £530,000. In giving an analysis of costs with regard to the impact of this tax on a truck carting to Carnarvon, the Minister made the amount out to be so small as to be almost inconsequential.

In reply to a question asked in another place as to the tax collected for this fund to the 30th June, we were told that it amounted to \$391,000. We must bear in mind, as the Minister said, that the tax has been in operation for May, June, July, and part of August only. The amount required for the year, based on the tax operating over four years is \$1,060,000. On this basis we are budgeting for a surplus of \$1,200,000 odd. But the amount collected in two months was \$391,000, and if we multiply that by six we get a figure of \$2,346,000.

The Hon. A. F. Griffith: That is your estimation for 12 months?

The Hon. W. F. WILLESEE: If for May and June—which is one-sixth of the year—the amount collected was \$391,000, it means that if we multiply that amount by six the sum collected for the year will be \$2,346,000. At any rate, in round figures, there would be a surplus of \$1,000,000. So it would appear to me that the tax—this is the point I am endeavouring to get at—in the first instance is too fierce. It is an over-calculation of the amount of money that will come in if the premise is right that the influx will continue at the same rate as over the two months' period.

The Hon. A. F. Griffith: Don't you think it would be fairer to let six or nine months go by?

The Hon. W. F. WILLESEE: I am merely quoting the only figure we have.

The Hon. A. F. Griffith: You are taking the opportunity to support the motion.

The Hon. W. F. WILLESEE: As we all do in cases like this. Do we stand here and say, "We have collected \$391,000 over the period of two months but we will take no notice of it"? If the boot were on the other foot I could see the Minister missing the opportunity!

The Hon. A. F. Griffith: Do not change the subject.

The Hon. W. F. WILLESEE: I will stick to the subject and the fact that the Government has under-estimated the return from this tax and at the end of the year will have collected more than was budgeted for.

The Hon. A. F. Griffith: We will have more money to spend on more roads.

The Hon. W. F. WILLESEE: That is not the purpose of the tax. In answer to a question on matching money, a set figure was given over a period of four years.

The Hon. A. F. Griffith: I would rather tell you at the end of 12 months what the figure is rather than guess as you are doing.

The PRESIDENT: Order!

The Hon. W. F. WILLESEE: I am quoting from a reply given to a question asked in another place. This reply was probably prepared by the department concerned, so I am not guessing.

The Hon. A. F. Griffith: You are guessing that the last 10 months will be as good as the first two months.

The Hon. W. F. WILLESEE: It would be a good thing if the Minister would keep quiet so that I can make my speech.

The PRESIDENT: Order!

The Hon. W. F. WILLESEE: If it is proved that this tax is too high, then I feel it is the bounden duty of the Government to reduce it. It is not a well-accepted tax, even though we might be led to believe otherwise. I have an article here which appeared in *The West Australian* of the 7th July under the heading "Farmers Claim Road Levy An Imposition." It reads as follows:—

Farmers and traders south of Busselton claim that the new Road Tax Maintenance Act will be an imposition in districts which depend entirely on road transport for the carriage of goods and produce.

They say that the tax has already forced most road transporters serving districts south of the railhead at Busselton to raise their freight rates.

It goes on to say—

He said the Government did not consult the union, which represents nearly 10,000 primary producers when it prepared the act.

There would be many other districts, including those south of Busselton that would be affected by freight rate increases.

The union would press for an amendment of the Bill in the next session of parliament.

Margaret River Chamber of Commerce secretary A. Burking said the new tax was unrealistic.

Carriers could not avoid paying the tax by using smaller vehicles, because a load of less than eight tons was not a payable proposition on the long trip from the Busselton railhead.

I have merely quoted extracts. However, I have shown that in an area containing 10,000 interested parties, this tax is being very badly received. An article appeared in *The Northern Times* of the 7th April under the heading "Pastoralists Consider Road Maintenance Tax Unfair." It reads as follows:—

Pastoralists & Graziers Association of Western Australia severely criticised the road maintenance tax at its monthly executive committee last week.

An association spokesman said the executive believed the tax was unfair to a minority group living in the State's primary producing areas. Members from Wyndham to Esperance had complained to the association about the tax, he said.

"It hits the man on the land from both sides. Not only will he be forced to pay the tax every time he takes his truck anywhere—even if he brings it from Derby to Perth simply for an overhaul—he will also have the extra charges passed on to him by the haulage firms who bring in his provisions and take out his livestock."

The spokesman pointed out that exemptions from road maintenance were granted to certain primary producers in both N.S.W. and Victoria. In Northern Territory there was no tax at all.

"In view of the exemptions in other States, the association feels the Government should give some consideration to doing the same in W.A. for hauliers of certain produce—livestock in particular—especially in areas where they are not in competition with the Railways."

The way the Act was brought in was also criticised by the association. It believed the Act was rushed through Parliament without any thought given to the people it would affect most or to them having the chance to state the effect it would have on what the association believes is an already overburdened industry.

The Hon. A. F. Griffith: You do not seriously think it was rushed through, do you?

The Hon. W. F. WILLESEE: Continuing—

"The association feels that by enforcing the Act the Government is giving more thought to matching the Grants Commission quota than to its

primary producers," the spokesman said.

Another point raised was the fact that the association had been given no definite indication as to where in the State the money collected from the tax would be spent.

It was decided that all association members should be advised to contact their local M.P.s to gain their support and thought would be given to the possibility of making an approach to the Premier to express association dissatisfaction and attempt to gain a solution.

In the face of that, it cannot be claimed there is no extreme dissatisfaction from an important section of industry in the State. I believe the fault lies in the gimmick of matching money.

The Hon. L. A. Logan: It is no gimmick at all.

The Hon. W. F. WILLESEE: I think it is. The Commonwealth should tax people once and not twice. The Commonwealth Government should tax the people of Western Australia as it does now and place the money in a central fund from which it can be reallocated to the States. It is wrong for the Commonwealth to say to the Government, "Here is so much money for roads, but we think you need more than that. Therefore we will give you half and you can tax the people to get the other half."

That is the principle which is doing the damage. It reminds me of the cartoon showing a little donkey with a big fellow sitting on his back with a carrot dangled in front of the donkey's nose. The Commonwealth Government is astride the donkey, which represents the Western Australian taxpayers, and the carrot is the matching money. There can be only one end to all of this: People will be taxed out of existence if the Government continues to meet the Commonwealth with matching money. It is not the answer to the problem, which should be dealt with in the first instance from taxation at the source. The principle of this matching money is wrong and it is doing the State a great deal of harm, as is evidenced to us all.

Recently Mr. Strickland asked for a breakup of how this money would be applied and spent; and there is more than a probability that the money collected will be subtracted from the usual amount made available to the north-west area from the Commonwealth aid roads grant. On the figures given to me at question time last week, less money will be spent in the north-west this year under the Commonwealth Aid Roads Act than was spent in the previous year. So it is reasonable to assume that this tax will not mean additional expenditure on roads; it is merely to supplement and is not in accordance with the principle for which it was introduced.

I support the amendment as I believe it is justified. This tax is one which should be abolished. If the Government considers it is necessary, then the tax should be implemented in some other way. However, I am of the opinion that it should be abolished completely because the principle upon which it is based is wrong.

Sitting suspended from 6.12 to 7.30 p.m.

THE HON. J. HEITMAN (Upper West) [7.32 p.m.]: In speaking to this amendment the Minister submitted a very good reply and explained the position fairly thoroughly. It is well known today that all the railways throughout the State repair their own tracks and with this legislation, through the heavy haulage contributions the heavy hauliers will be doing exactly the same as the railways have been doing over the years.

The position is that if we want better roads in the outback or country areas, someone has to pay for them. I cannot think of any better system than to make those who use the roads make some contribution to them. Many have spoken on this legislation from time to time and we had a very good discussion on it last year. Although no-one likes the taxes which have been levied on the country people over the past 12 months, this is one which really pays for itself and gives some return for the money collected, more so than have the other taxes which have been placed on the community.

It is well known that the tarred road to Carnarvon has kept the heavy haulage prices down to a minimum. As a matter of fact, those prices have not increased over many years. Once a good road is established more competition is created, and more competition keeps prices down. This has been true to such an extent that the cost of carting from Geraldton to Carnarvon is only half what it was some 20 years ago when the road was in a very bad condition.

I feel sure the amount of money collected by way of this tax, and the consequent matching money on a pound for pound basis, will make a great deal of difference to the roads in all country areas over the next year or so. The tax has been in force so far for only three or four months and, as far as I know, none of the money collected has so far been used for road making. I think that anyone who has doubts at this stage should consider what will happen in 12 months' time when the Main Roads Department has had a chance to allocate the money for the various country roads. The marked improvement on those roads will then be evident.

It is possible that more money than was anticipated will be collected. To my way of thinking this is excellent. It points to the fact that the Government did not realise just how much heavy haulage there was in the State. That would be one reason why the assessment of the amount to be collected was under-estimated.

Many people have said that this heavy haulage tax will increase the freight charge to anything up to 6d. a ton mile. If this occurs, it will mean that someone is making a huge profit. The tax should not necessitate an increase of anything above 5/18ths of a cent per ton mile.

The Hon. F. R. H. Lavery: What would be the tax on a load of 20 tons, from here to King Bay? It would be £21 extra.

The Hon. J. HEITMAN: I could not answer that right off the hook, but I have a book here which the honourable member could study.

The Hon. F. R. H. Lavery: I can tell you. It would be £21 extra.

The Hon. J. HEITMAN: It has a ready reckoner for every ton carried for any distance throughout the State or Commonwealth.

The Hon. F. R. H. Lavery: I have told you it would be £21 extra.

THE PRESIDENT: Order!

The Hon. J. HEITMAN: I have spoken to the managing director of one of the biggest heavy haulage companies in Queensland—and a similar tax has been in force in Queensland for several years and that State has had a chance to prove what a help it is to the State as a whole in the maintenance of its roads. The director's belief was that it was a very good tax and that the State could not do without it. I heartily agree with him. We know that every shire in the country is battling to keep its roads in good repair and to establish new ones, and this contribution will go a long way towards that end. With a greater number of better roads, and more tarred roads, the freight charges on country road haulage will be a lot lower than they are today. I am against the amendment.

THE HON. E. C. HOUSE (South) [7.38 p.m.]: This amendment deals with the State generally but the arguments which have been submitted have dealt mainly with the northern areas. I do not profess to know a great deal about transport in the north, but I do represent an area in the south which is to a great degree dependent on road transport. This dependence has increased recently with the opening up of new land. The roads have been pushed further and further east with consequent increased production and the necessity for heavy haulage transport which, in turn, necessitates better roads. It is about this southern area I can speak.

In the various centres I have visited, much criticism has been levelled at this tax, but I believe this has been as a result of a lack of knowledge as to what the tax can do for those concerned. After the position has been explained, the people concerned are quite prepared to accept the fact that there does not seem to be any way by which it can be avoided.

If we examine the benefits we derive from Victoria and New South Wales under the roads aid agreement, once again it is fairly obvious we have no option whatever but to fall into line with the other States. We are the last State to introduce this tax. The one before us was South Australia, in 1963, which was three years ago. It was introduced as far back as 1955 in, I think, Victoria. So we have escaped, for quite a considerable time, what is commonly called a burden on primary producers.

One of the statements made in the Chamber today was that we pay this tax twice. As the money has to be matched, it has been stated that it is a double tax. This is not so as would be realised if the facts were studied. We pay seven per cent. of the petrol tax into the main fund and yet receive 17 per cent. back; so we are virtually receiving more than double the amount of money we actually contribute in the first instance.

Another statement made was that it was not right that the tax should be levied on trucks which were travelling empty. It must be realised, once again, that in the first instance the truck is rated on only 40 per cent. of the total capacity of the gross load which, therefore, allows for the truck to travel empty for nothing.

Mention was also made of the fact that the tax was based on eight tons and not on four tons, as is the case in every other State except South Australia. This seems reasonable, especially as it must be remembered that as each year goes by until the end of the present agreement more and more money will be needed. It is just as well, therefore, that the amount has been in excess of the estimate, otherwise we could possibly have had to find some other means of matching what was required.

One of the important points we must remember in assessing road transport is that in the southern area, anyway, it is far cheaper than rail transport, in spite of the road maintenance tax. I am often told by people that they have to rely on road transport because no railway line serves their area, and that therefore they should not have to bear this imposition. However, facts are available which prove quite conclusively that road transport handles not only all the produce more efficiently but, in spite of the road maintenance tax, also handles it much cheaper.

About a month ago a person approached me with some figures which supported his desire to use road transport instead of the railways. There were 300 tons of super involved and if taken in 10-ton lots the saving by using road instead of rail transport was \$3.12 per 10-ton lot. In addition, the distance from the siding to the farm was five to seven miles, depending on the part of the farm to which it had to be carted. This involved an extra \$14 on the 10-ton lots, making a total of an extra \$17 involved if the superphosphate were carted by rail instead of road. For the total of

300 tons, an extra \$513.90 was involved if the railways were utilised instead of road transport, and this is despite the addition of the road maintenance tax. The cost per bushel of wheat per 100 miles is less than 1c, and the cost per ton of superphosphate is roughly 33c per 100 miles.

The wheatgrowers, of course, will have this recosted into the cost of production when the next formula is drawn up. In so far as wheatgrowers are concerned, a lot of this will be swallowed up by the extra cost of production because of the road maintenance tax. These figures—especially on the superphosphate and, in many cases, on the wheat—refer only to the transport miles and do not include the heavy costs of having to go to the sidings in order to cart superphosphate back to the shed, or the double handling there.

I think the main point to be realised is that this road maintenance tax is probably the best insurance that any primary producer can have; insurance through the knowledge that this road maintenance tax will keep these roads at a standard and that this should, at least, stabilise the costs. Last night in another place I think the Minister quoted the transport costs for South Africa as being exactly double on gravel as compared with using bitumen roads. This ties in with the Carnarvon figures and the general tenders which are received right throughout the State on the "various costs versus the road".

If we take a sensible attitude on this tax, I think we will agree that it is a one which, in some ways, has a lot of advantages, and it is one of the very few taxes put on the community that is not swallowed up in Consolidated Revenue, because the whole of the money goes back into the zones from where it is derived, and all administrative costs must be taken out of Consolidated Revenue. Therefore, if the facts are right—and I do not have any reason to doubt them because I believe the High Court is fairly strict on this matter—we can look forward to a great benefit being derived for our roads from the taxation itself.

The fact that we are collecting more through this tax is probably due to the great increases in the amount of road transport. This is a trend which will continue, and which will increase more and more, as the years go by, especially with the opening up of and the great production on this conditional purchase land.

Why the road maintenance tax has received the spotlight—and there is no question that it has—from all sections of the primary producers as being the one charge which has been so crippling to their cost factor is hard to understand. I say it is hard to understand because there have been many and various other rises in tyres, tubes, petrol, wages, and so on. The road maintenance tax is probably the only one of all of these taxes from which primary producers are going to receive any benefit. So, as I have said, I find it hard to understand why this tax should be spotlighted.

I think it was an American who was quoted in the paper last week as having said that we had some of the worst roads in the world. Whether or not this is a fact I would not know, but it is certain that, if the Government is going to keep transport costs to the ports at a level where the primary producer can cope with them, only a good road will bring this about.

THE HON. V. J. FERRY (South-West) [7.50] p.m.: I rise to oppose the amendment. Very briefly, I just wish to reply to a comment which was made during the course of the debate concerning roads which, in some instances, are built and maintained by private operators rather than by a local authority or the Main Roads Department. I understand that the Main Roads Department has already financially assisted a firm, which constructs and maintains its own roads, by contributing money towards the upkeep of those roads. All operators—whether they travel on public roads or on roads constructed privately—are subject to the road maintenance charge. However, in some cases I understand the Main Roads Department has met the request of people concerned for some financial adjustment, particularly in the instances to which I have referred. Also, I understand that negotiations are proceeding with some sections of the community, particularly in isolated industries where people do, in fact, construct and maintain their own roads under certain conditions, with a view to some alleviation in regard to the funds necessary for the maintenance of these roads. Therefore, there is some flexibility in the situation at the present time. Although, as I have said, all the vehicles which use these roads, are subjected to the charge, consideration is currently being given—and it will be given in the future—to some adjustments in these circumstances.

I would also like to refer very briefly—as did The Hon. Mr. House—to a survey which was conducted in Africa on the costs of operating buses and trucks on roads with different surfaces. The report on this survey was compiled by Messrs. Millard and Bonney. They quoted the mean cost in pence per rated gross ton mile on freight vehicles using bitumen surfaces at 0.94d. and on unimproved roads with gravel surfaces the cost was 1.69d., which is almost double that for a sealed surface.

I just mention these figures to emphasise some of the references made by The Hon. Mr. House, and with those few words, Mr. President, I oppose the amendment.

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

Ayes—8.

Hon. J. Dolan	Hon. H. C. Strickland
Hon. E. M. Heenan	Hon. R. H. C. Stubbs
Hon. R. F. Hutchison	Hon. R. Thompson
Hon. F. R. H. Lavery	Hon. W. F. Willsee

(Teller.)

Noes—17.

Hon. N. E. Baxter	Hon. L. A. Logan
Hon. G. E. D. Brand	Hon. G. O. MacKinnon
Hon. V. J. Ferry	Hon. N. McNeill
Hon. A. F. Griffiths	Hon. T. O. Perry
Hon. C. E. Griffiths	Hon. H. R. Robinson
Hon. J. Heitman	Hon. S. T. J. Thompson
Hon. J. G. Hislop	Hon. J. M. Thomson
Hon. E. C. House	Hon. F. D. Willmott
Hon. A. R. Jones	

Pairs

Ayes	Noes
Hon. F. J. S. Wise	Hon. C. R. Abbey
Hon. J. J. Garrigan	Hon. H. K. Watson

Amendment thus negatived.

Debate (on motion) Resumed

THE HON. G. E. D. BRAND (Lower North) [7.57 p.m.]: I wish to add to the Address-in-Reply. Firstly, I would like to touch on an interesting topic raised by The Hon. Mr. Ferry in his speech on the Address-in-Reply on opening day. I would like to comment on the importance of "travel money" as he called it.

A friend of mine was in England at the time of the seamen's strike over there and in a letter to me he mentioned how much money Ireland had lost because of the effect of the strike on tourism. I quote—

He said Ireland was feeling the effect of the British seamen's strike, which had been in progress for six weeks at the time of writing.

Being in the middle of the northern summer and holiday season, more than 70,000 cars had been expected from England and the occupants were estimated to spend \$200,000,000.

This certainly represents a loss to the economy.

As far as tourism is concerned, it is interesting to note that the goldfields have requested the Minister for Tourists to endeavour to have a road cut through from Mandilla Station, on the Norseman road through Kambalda, the new nickel find, to Kalgoorlie. By this means those on the goldfields hope to induce people to travel from Kambalda and on to Kalgoorlie instead of going straight to Perth. As a result, Kalgoorlie would obtain some money from tourism.

The Hon. F. R. H. Lavery: This would mean that Cooigardie would miss out again!

The Hon. G. E. D. BRAND: Emanating from the very worth-while trip through the Kimberleys, which members of Parliament recently enjoyed, was a visit to Carnarvon. Now that members in this House have seen the research station at Carnarvon, and have seen the great amount of seed growth and testing which is carried on there, they will understand that Carnarvon faces water problems. Two rivers have come down this year and, although they have not been very big rivers in the general sense of the word, they have supplied sufficient water for this year. However, I am informed by the research station officer at Carnarvon it is hoped to have further rain in the area.

This, of course, is the immediate wish but the people are also interested to hear that the Commonwealth Government will come in and assist in an inspection of an area, or a testing of the area, in order to find a place at which to dam the Gascoyne River. The people concerned consider this is most essential. I am sure all members in this House will agree with me when I say that I certainly hope the Commonwealth Government, and the State Government, will hasten that project and do something about damming the Gascoyne in the very near future.

The Hon. R. Thompson: That is a good project; needless to say, it was proposed by a Labor member.

The Hon. G. E. D. BRAND: Those who live in that area naturally feel a little worried at the present time. They have had approximately seven good seasons, which is a further reason for good progress to be made with this project.

I might mention that following the trip by parliamentarians to the Ord project, the goldfields people were most interested in several talks I gave, not only over the air but also in other places. Over the past few years the growth of Kalgoorlie has been very static, and the local people, hearing stories of so much money being spent in the north are naturally extremely pleased but they wish, of course, that it were being spent in the Kalgoorlie district.

I would also mention that the people residing in the Kalgoorlie district are worried not so much about the road maintenance tax as they are about the regulations imposing restrictions on the dimensions of road transport vehicles. All the submissions to me, with the exception of one, have been in regard to what a road transport operator is permitted to carry on his vehicles.

It is to be hoped that the recommendations made by Railways Commissioner Wayne in his recent report will be adopted by the Government with a view to an easing of the regulations on those road hauliers who cart cattle and other produce, not only in the Kimberleys, but also in the Carnarvon, Meekatharra, and Wiluna districts. I have been appealing to the Minister for Transport and the Minister for Police to ease the restrictions on over-width vehicles operated in those parts, because I cannot see any reason why they should be rigidly enforced. There is not a great deal of traffic on the roads, which are fairly wide, although many of them are very rough. I repeat, however, I cannot see how an extra couple of inches in width would be the cause of accidents on the road or would create undue concern.

I repeat the hope that the recommendations in Mr. Wayne's report will be implemented in the near future to bring about an easing of these restrictions to the benefit of those engaged in the transport of

livestock and other commodities. In my view they could be issued with permits to operate their trucks until such time as they purchased new vehicles, which could be built to the dimensions laid down in the regulations.

Members will recall that when people suffered hardship at Collie as a result of floods the Government saw fit to grant them financial assistance. In the Carnarvon district both floods and droughts cause a great deal of concern to the residents. One pastoralist explained to me that he had all his fences washed away during the last flood at Carnarvon, but he was unable to obtain any Government assistance, or the loan of any cheap money to repair the damage. I would suggest that the responsible Ministers should ensure that in times of disaster not only should people residing in the south-west who are affected be granted relief, but also those people who reside in the north. Among other losses, the pastoralists around Carnarvon lost large numbers of sheep because of the floods.

As a point of interest, I would now mention that the tracking station at Carnarvon, during the next festival to be held at Carnarvon in the second week in September, will be tracking an object in orbit which will be carrying the first man to reach 400 miles into space. Those members who made the trip to the north have seen the N.A.S.A. project, and here I would remind members that I will welcome them up there at any time.

The Hon. C. E. Griffiths: Not in orbit, I hope.

The Hon. G. E. D. BRAND: No, not in orbit.

The Hon. R. Thompson: What about giving us a talk on it sometime?

The Hon. G. E. D. BRAND: Yes, very well. As regards Exmouth Gulf there is one complaint which I would like to see rectified. Commissioner Murdoch is doing his utmost to attract people to that centre, but unfortunately he is being plagued with officialdom.

The charges for public utilities, such as water and sewerage, at Exmouth Gulf are extremely heavy, and this frightens away those people who have any ideas of settling there. The charges for essential services are \$1,470 for a large block and \$735 for a small one. This amount covers the premium for such services. These charges are considered by those in authority to be too harsh, and we hope the departments concerned will look at this problem with a view to making the charges more equitable.

The Hon. G. C. MacKinnon: Do those charges cover the connection or the right to connect?

The Hon. G. E. D. BRAND: I do not know.

The Hon. G. C. MacKinnon: Well, you cannot argue about it.

The Hon. G. E. D. BRAND: I was asked to mention it. Once again, I would like to make known my gratitude to those who were responsible for organising the recent tour by parliamentarians to the north. I also hope the wishes of the Minister concerned will be granted by the Commonwealth Parliament in the near future.

THE HON. F. D. WILLMOTT (South-West) [8.7 p.m.]: In this debate on the Address-in-Reply I wish to refer to margarine quotas which have had a great deal of publicity in recent months. Argument on margarine quotas is nothing new. A similar controversy occurred in the late 1930's, with the result that, after consultation, the Australian Agricultural Council requested the various States to pass legislation to fix a quota on margarine production. At that time there was a considerable body of opinion which thought the production of table margarine should be prohibited completely. So far as I am concerned, I am glad to say that wiser counsel prevailed and it was decided to impose a quota, the result being that, in 1940, The Hon. F. J. S. Wise, the then Minister for Lands in another place, introduced a Bill for the purpose of bringing into force a quota system on margarine production.

The quota fixed in this State, in 1941, was 364 tons. Quotas were also fixed in all the other States, and the total quota for all States at that time was 3,973 tons. Since that date, only Victoria has not changed its quota. In 1940 the Victorian quota was 1,196 tons, and it remains the same today. In the other States the quota has been altered in varying degrees. In 1952, Western Australia increased the margarine quota to 800 tons, and New South Wales increased its quota from 1,248 to 9,000 tons; a rise of 621 per cent. Queensland granted a rise of 557 per cent.; South Australia, 69 per cent.; Western Australia 120 per cent., and Tasmania 50 per cent. The overall result of that action throughout the Commonwealth was that quotas were increased from 3,973 tons to 16,072 tons; an overall increase, in Australia, of 304 per cent. So some of the arguments that have been raised against the quota system being too static can hardly bear proper examination if they are looked at in a proper light.

For instance, although the present quota is 16,072 tons, the actual production was 22,700 tons; that is, approximately 6,700 tons in excess of the quotas. Therefore it can be seen that the quotas have not been rigidly enforced. While speaking in that vein I might point out that, in fact, the original Act has not been rigidly enforced.

In the parent Act, which remains unaltered, it is provided that anyone selling margarine must clearly display a large placard to indicate that margarine is sold in that establishment.

Therefore, according to the Act, any restaurant or hotel is supposed to have a large notice displayed indicating that margarine is used on the premises. Also, the Act provides that every vessel or container in which margarine is placed must be clearly marked to indicate that it contains margarine before it is placed on the table. Such a provision still remains in the Act, but has never been enforced.

The Hon. R. Thompson: You would not want to see it enforced, would you?

The Hon. F. D. WILLMOTT: No, quite frankly, I would not. In fact, the whole Act has not been rigidly enforced because the quotas have been exceeded by over 6,000 tons.

The Hon. R. Thompson: It would not be so bad if they were using the natural Australian products.

The Hon. F. D. WILLMOTT: I will deal with that aspect later. In this margarine controversy there is a tendency to view the whole matter in the light of margarine versus butter. That, of course, is a complete fallacy because there is a great deal more to the dairying industry than the production of butter. Although the industry is still largely based on butter production, there are many other products which are produced in the dairying industry.

The arguments frequently put forward by people who do not believe in a quota for margarine production is that the dairying industry receives from the Commonwealth a subsidy of \$27,000,000 annually; but that, again, is not a correct statement. The dairying industry, as a whole, does not receive the subsidy; it is only the butterfat section which receives it. That is the only section of the dairying industry which is entitled to any share of the \$27,000,000 subsidy. At the same time, although the butterfat section does receive a subsidy, the dairying industry as a whole is bringing into Australia income from exports of about \$117,000,000. Therefore the overall position is beneficial to the nation.

This is in direct contrast to the position of margarine, as Mr. Ron Thompson has implied by interjection. The products from which margarine is made are largely not produced in Australia. Something like 80 per cent. of the bulk of the edible oils are still imported. Furthermore, margarine produces practically no export income for Australia; if there is any it is very small.

The Hon. H. C. Strickland: Any imports from the Australian territories?

The Hon. F. D. WILLMOTT: There are imports from New Guinea, but how long that territory will remain Australian we can only guess. I think it might remain Australian territory for less time than many of us would like to see. I say the dairying industry is still based largely on butterfat, but it is a changing situa-

tion. Of the total milk production of Australia at the moment, 62.4 per cent. is used in the production of butter.

I have tried to find out the percentage for 1940 when the legislation fixing quotas was first introduced, but I have not been successful. I was able to find out that the record year for butter production in Australia was 1939-40. That being the record year it becomes quite obvious that the percentage of the total milk production used in the making of butter must have been greatly in excess of 62.4 per cent., the present-day percentage. This demonstrates the fact that the dairying industry is changing slowly, and is not so largely dependent on butter production as it was previously; and, further, our eating habits and our exports are changing.

Cheese exports to other than the United Kingdom have doubled in the last five years. Anybody who 10 years ago said that Australia would be exporting dairy products to the U.S.A. would have been laughed at; but that is what is happening today. At the moment there are very good prospects of considerably increased trade with the U.S.A., particularly in respect of cheese exports.

There are many other lines of export which are increasing, particularly processed milk in the form of condensed milk and milk powders. In fact, at present there is a world shortage of milk powder. I think the industry in Australia will take advantage of that situation and develop further exports.

It has been stated by some of the margarine manufacturers that the quota restriction is having a detrimental effect on production of edible oils in Australia. That argument was used in 1940, but what has happened hardly bears out their statement, because the main oils produced in Australia are safflower, peanut, and cotton seed. In 1965 the total production of these oils was 6,300 tons, and not all of that was used in the manufacture of margarine, because some of it is not fit for human consumption and is used in the manufacture of soap and other commodities.

A good deal of this oil, particularly peanut and safflower, is sold direct to the public for cooking purposes. The total production being 6,300 tons, there is plenty of room left for expansion in this industry, in view of the fact that our total consumption for all purposes is 32,269 tons. So the proposition that is put forward that the quota inhibits the development of our edible oil production does not stand up to very much scrutiny.

The Hon. R. Thompson: Marrickville lost its case before the Privy Council.

The Hon. F. D. WILLMOTT: That is right, and the Privy Council refused to countenance an appeal. But that will not stop the argument in regard to the quotas on the production of margarine. Some companies will try to go a long way further than this. The decision of the Privy Council has cleared up the matter.

There has been a doubt in the minds of some people of the right of a State to limit production, and in this respect I am thinking of the potato industry. A doubt existed in the minds of the growers and other sections of the community as to whether the Potato Marketing Board in Western Australia had the right to limit production, if it was for export to other States. I say it is quite clear now that it has that right. In fact, in the case recently taken by the Potato Marketing Board in my area it has become evident that the board has that right. The position was in doubt before, but the decision of the Privy Council has cleared up that doubt.

The Hon. R. Thompson: That case is a little different from this one. That dealt with a board within the jurisdiction of that State.

The Hon. F. D. WILLMOTT: Yes. That is the case the Potato Marketing Board is arguing on, under section 92 of the Constitution. There was a doubt whether the board could control the production of potatoes if they were for sale in other States, but now the position has been cleared up. That is exactly the ground on which the margarine producers are basing their case.

The Hon. R. Thompson: That is a different case. We set quotas for margarine production in this State.

The Hon. F. D. WILLMOTT: So did the Potato Marketing Board set quotas for potatoes. No doubt many people have read the literature which has been distributed by the Australian Dairy Industry Council. Some of it is particularly interesting in regard to unethical advertising which has been going on in respect of margarine. The result was that in 1965 the Statute Law Revision Committee of Victoria studied the question of unethical and misleading advertisements in regard to margarine. As a consequence it published a statement, and I would like to quote some portions of it.

It said there was strong objection to the emotional advertising by those promoting the sale of margarine, and it was submitted that housewives were given the impression that they were failing in their duty to their families if they did not regularly use margarine. The pamphlet goes on to state—

Loose phrases such as "informed medical opinion" and the use of the R_X symbol—a recognised medical symbol—imply that the statements made in the advertisement have some authoritative medical background.

Further on it states—

Another undesirable feature was said to be that a food such as margarine should be pushed into what might be termed the curative field.

Again further on it states—

But it is clear that claims of health benefits, either precise or inferred, which are based upon incomplete or in-

conclusive research, are objectionable. The use of medical symbols such as RX are calculated to mislead by inference of some degree of medical approval, and it is undesirable that medical terms unlikely to be understood in their true concept should be used on packaging or promotional advertisements.

From those statements it appears that some of the advertising of margarine must have been, to put it plainly, red hot. Having looked into this matter, and having argued the point with many people I find the statement of Dr. R. R. Reader, National Medical Director of the National Heart Foundation, to be very interesting. His statement has been included in the booklet to which I have been referring. It is—

"... Let me be clear that we are speaking about the condition arteriosclerosis, commonly known as hardening of the arteries. This condition is at the back of coronary occlusion, coronary artery disease generally and many forms of stroke. It is, therefore, the most important form of heart disease and certainly the commonest. Let me also be clear that it is certain that there are many causes, not just one. Heredity, obesity, cigarette smoking, lack of exercise may all be causes; diet also may be a cause. The idea that diet is responsible in some way for heart disease arose from the comparatively recent observation that this form of disease is common in affluent societies and so too is a high content of fat and particularly animal fat in the diet.

Arising out of that simple observation, an enormous amount of research has been carried out throughout the world to investigate the theory that dietary fat is some way related to this disease and from that research conflicting in many ways as it is, there are four things which I think one may say with confidence.

Firstly, a high level of fat, certain fatty substances including cholesterol in the blood is associated with a high risk of heart disease. Secondly, one cannot say that these fatty substances in the blood necessarily cause heart disease. The relationship may be coincidental. Thirdly, reduction of the level of these fatty substances in the blood can be achieved by certain means—the use of drugs and the use of certain dietary modifications. But let me be quite clear, let me emphasise that the dietary modifications must be complete and thorough otherwise they would be a waste of time. It would not do simply to substitute some types of margarine for butter—the whole diet would have to be checked and modified; and the fourth thing that I would like to say is that nobody

knows, it has not been possible to show whether reducing dietary fats will, in fact, reduce the risk of heart disease"

That statement was made by a man who is considered to be an authority on the subject. I know of many people who have fallen for this advertising. Those people thought that by eating margarine instead of butter they would avoid heart attacks.

The Hon. V. J. Ferry: It is much cheaper.

The Hon. F. D. WILLMOTT: It might be; but it might not be in the long run. However, to get back to the dairying industry, quite apart from any other argument, I think the dairying industry has probably played a greater part in the development of land, particularly in the southern areas of our State, than any other industry.

I have even heard people say sometimes, "But do we want a dairying industry now? Do we want a butter industry?" I have heard people quite genuinely ask those questions. My answer is simple. That decision was made for us long ago; way back in the early 1920's it was decided we would have an organised dairying industry in this State. The same decision was made in the other States of Australia a great deal earlier than the 1920's. It was this very industry which played a great part in the development of a good deal of our land. And to say it is now redundant is absurd.

I think with all agricultural development, Mr. President, as you would be well aware, when one starts to develop land one looks first to the development of cash crops. That type of development takes many forms. In my younger days I lived in the south-west portion of this State when the bullock teams and the horse teams were the only means of hauling available to the timber industry. The result was there was a boom in chaff growing, and the chaff industry was responsible for developing a great deal of the country in the south-west.

Another instance is tobacco growing, which occurred more latterly. Tobacco growing took place in the Manjimup area. It has gone now but it existed for 25 years and there are many fine buildings in Manjimup today which are the result of tobacco sales and nothing else. However, because the tobacco industry has now gone, and the chaff industry has now gone, is no argument to say they should never have been. Nothing could be sillier than that in my humble opinion.

To digress a little, I think the same applies to the Ord River scheme. I continually read statements in the Press by people who I think ought to know better. They write to the effect that they want to know about the everlasting economy of the cotton industry. That is bunkum, in my opinion, because cotton in the Ord River area is simply the developmental cash crop. But to think that cotton is the be-all and end-all of the Ord River scheme

is, to my way of thinking, complete nonsense. To say that some day it might crack up, so we should not go on with it, is complete nonsense. That type of person takes a trembling attitude to every type of industry and every new development in this State.

There is a vast potential in the Ord River area, apart from cotton, but cotton looks like being the developmental cash crop. I do not think there is a better crop at the moment, but that is not the only development which will take place in the Ord scheme. The longer we delay the cotton growing the sooner we might have to make the decision that some other crop will have to be the developmental cash crop.

The Hon. H. C. Strickland: There is a shortage of beef alone.

The Hon. F. D. WILLMOTT: That is quite right. I believe that eventually one of the biggest products from the Ord scheme will be beef. During our recent trip through the north, I was a little disappointed with the Kimberley Research Station. A great deal of fine work has been done there over the years. The last trip north was not my first and I have watched the research at the Kimberley station for some years. Undoubtedly, that station has done a fine job, and still is doing a fine job. I believe its officers will come up with more answers regarding the cotton and I feel the extra production which will be obtained in the near future will offset any decline in prices. That is my own personal feeling.

The disappointing thing to me is that more research has not taken place with regard to cattle. More could be done at the Kimberley Research Station with research into the beef cattle industry.

I seem to have digressed a little but I was merely instancing the fact that all agricultural development has been based on some regional cash crop; and the regional cash crop in a great part of the southern areas of the State—and I do not mean only the south-west, but also the great southern—has been the dairy cow. And it still is in many areas. The dairy cow in the southern part of the State has been responsible for more land development than any other single factor. So I think any foolish talk about not wanting a butter industry, as many people refer to it, is quite fallacious. As I pointed out, there is a great deal more to the dairy industry than just butter.

I think this industry is developing very fast in some directions, particularly in the export of milk powders and the like. Cheese exports to the United Kingdom doubled during the last five years. The United Kingdom takes well in excess of 70 per cent. of our total exports of dairy products. We also export to 80 other countries. Only in 1960 we had practically no export whatever of cheese to Japan. At present we export to Japan 4,000 tons of cheese, and it is anticipated that this figure could be doubled in the next 12

months. The dairying industry is really out to keep this market and I think the big feature about dairy products exported to the Asian markets is that they need not necessarily be butter.

The big advance has been—and this is where I say that the whole industry is getting away from the production of butter and into other products—in the export of preserved, condensed, and concentrated milk. These exports increased from 19,000 tons to 40,000 tons in five years. That is an increase of 105 per cent. in five years so, undoubtedly, it is a big potential market for our dairying industry.

The Hon. V. J. Ferry: Is there room for both the margarine and the butter industry?

The Hon. F. D. WILLMOTT: There certainly is. Nobody is saying that there should not be any margarine. I would point out that the quota applies only to table margarine and not to cooking margarine. There never has been a limit on the production of cooking margarine. To say the production of margarine has been static is silly. Going back to the figures I quoted earlier, the quotas increased from 3,973 tons to 16,072 tons, and the actual production at present is 22,700 tons. So the industry has had more than a fair deal out of it, and I believe there will be pressure in many quarters from the producers to have the quotas removed altogether.

But so far as I am concerned, and in the interests of the dairying industry—which is valuable to Australia as a nation—I would certainly oppose the lifting of quotas. I do not say that from time to time the quotas should not be increased, but up to date the producers have had more than a fair go in that regard with an increase of over 300 per cent. since 1940. I do not have anything further to growl about in regard to quotas.

Debate adjourned, on motion by The Hon. R. Thompson.

House adjourned at 8.40 p.m.

Legislative Assembly

Tuesday, the 9th August, 1966

CONTENTS

	Page
ADDRESS-IN-REPLY : FOURTH DAY—	
Speakers on Motion—	
Mr. Brady	198
Mr. Burt	192
Mr. Durack	205
Mr. Evans	208
Mr. Marshall	214
HANSARD : PUBLICATION ON TUESDAYS	191
PARLIAMENT HOUSE BELLS : TESTING	191
QUESTIONS ON NOTICE—	
Air Pollution—	
Implementation of Act	178
Kwinana : Sulphur Dioxide Pollution	178
Albany-Denmark-Walpole Bus Services : Curtailment	180