

Mr. CRAIG: I have not reached there yet. I sincerely urge that some consideration should be given to this serious matter, and we should not leave any stone unturned for the achievement of this objective.

MR. GUTHRIE (Subiaco) [4.5 p.m.]: I formally second the motion.

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

### ADJOURNMENT OF THE HOUSE: SPECIAL

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

That the House, at its rising, adjourn until 4.30 p.m. on Tuesday, the 8th August.

Question put and passed.

*House adjourned at 4.5 p.m.*

---

## Legislative Council

Tuesday, the 8th August, 1961

### CONTENTS

	Page
<b>QUESTIONS ON NOTICE—</b>	
Brentwood School : Additional Classrooms	14
Crown Land : Burning off in Metropolitan Area	15
Female Members and Staff : Provision of Toilet Facilities	14
Leucosis Control : Assistance for Poultry Farmers	16
Lupin Seed : Improvement of Local Product	16
Midland Province Water Supply : Surveys for a Comprehensive Scheme	15
Rock Phosphate : Use on Western Australian Soils	14
Traffic Act : Reprint of Regulations	16
Unemployment Increase and Trade Depressions : Reasons	14
Wundowie Charcoal Iron and Steel Industry : Payment of Timber Royalties	15
<b>QUESTIONS WITHOUT NOTICE—</b>	
Main Roads Department : Receipts for Year Ended the 30th June, 1961	13
Parliamentary Procedure : Ringing of Bells	13
<b>ADDRESS-IN-REPLY: SECOND DAY—</b>	
Speaker on Motion—	
The Hon. H. C. Strickland	17

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

## QUESTIONS WITHOUT NOTICE

### MAIN ROADS DEPARTMENT

*Receipts for Year Ended the 30th June, 1961*

1. The Hon. H. C. STRICKLAND asked the Minister for Mines:

What were the Main Roads Department receipts for the year ended the 30th June, 1961, from all funds?

The Hon. A. F. GRIFFITH replied:

Mr. Strickland was good enough to give me notice of this question earlier in the day, and the answer is £9,543,196 7s. 6d.

### PARLIAMENTARY PROCEDURE

#### *Ringing of Bells*

2. The Hon. F. J. S. WISE asked the Minister for Mines:

If I may be permitted I would like to preface my question and say that associated with age-old proceedings in Parliament is the ringing of the bells. In the light of the new contrivance which has been substituted for the bells, I would ask the Minister whether we are contravening Standing Orders which specifically require bells to be rung for many particular and specified reasons? In the absence of bells, will the business of Parliament, where bells are required to be rung for proceedings, assuredly be in order?

The Hon. A. F. GRIFFITH replied:

With respect, Sir, I think this is a question which perhaps should have been directed to yourself. I am aware it is an age-old custom that bells be rung. In the early stages of parliamentary procedure it was done by a person moving around from corridor to corridor, and from place to place, ringing a hand-bell. Now we might find ourselves in a position where it may be necessary to place an interpretation upon what sort of ringing noise this instrument shall make.

I feel sure that whoever is responsible for the new sound that we have heard was instrumental in putting that sound in the House for the benefit of members. I am sure the House Committee—if it was the House Committee's responsibility—did not have any intention of contravening Standing Orders.

**QUESTIONS ON NOTICE****BRENTWOOD SCHOOL***Additional Classrooms*

1. The Hon. R. THOMPSON asked the Minister for Mines:
- (1) Has financial provision been made for the construction of additional classrooms at the Brentwood primary school?
  - (2) If the answer to No. (1) is "Yes"—
    - (a) when will construction begin;
    - (b) what is the estimated date of completion?

The Hon. A. F. GRIFFITH replied:

- (1) Brentwood has been listed for two additional classrooms in the 1961-62 list.
- (2) (a) and (b) unknown as yet.

**FEMALE MEMBERS AND STAFF***Provision of Toilet Facilities*

2. The Hon. R. F. HUTCHISON asked the Minister for Mines:

How long will it be before reasonable and adequate toilet facilities, including a dressing room, are provided for women members of Parliament and women members of the staff at Parliament House?

The Hon. A. F. GRIFFITH replied:

During alterations and additions to Parliament House, the Joint House Committee has arranged for the provision of ladies' toilet facilities on the ground floor, and on the first floor. The toilet facility usually provided for the use of the President has been made available by him for a ladies' toilet. Future extensions will include new ladies' toilet facilities and dressing rooms for each floor. All extensions to Parliament House are expected to be completed by July, 1963.

**ROCK PHOSPHATE***Use on Western Australian Soils*

3. The Hon. C. R. ABBEY asked the Minister for Mines:

In view of the report in the June issue of *Rural Research in C.S.I.R.O.* of successful trials with rock phosphate, and the urgent need to reduce costs in the primary industries, will the Minister request the Department of Agriculture to institute intensified trials with a view to ascertaining what soils in Western Australia will give corresponding results to those obtained in the Canberra trials?

The Hon. A. F. GRIFFITH replied:

It is not considered necessary to intensify the research work being carried out by the Department of Agriculture on the use of rock phosphate as an alternative phosphate fertiliser to superphosphate. At present, 22 trials comparing superphosphate and rock phosphate are being carried out on subterranean clover and three on W.A. blue lupins. These trials are situated in the Margaret River, Manjimup, Bridgetown, Boyup Brook, Narrogin, Northam, Dandaragan, Coorow, Eneabba, Esperance, and Mount Barker districts. On some peaty sands and on one lateritic soil in the Mount Barker district, rock phosphate has given similar results to superphosphate. Elsewhere, it has not proved to be as satisfactory. The C.S.I.R.O. work reported in the *Rural Research in C.S.I.R.O.* relates to three experiments, and the final sentence reads, "For most situations, superphosphate is still the best phosphatic fertiliser."

**UNEMPLOYMENT INCREASE AND TRADE DEPRESSIONS***Reasons*

4. The Hon. H. C. STRICKLAND asked the Minister for Mines:

In view of the fact that this Government has had for its expenditure record amounts of revenue, loan funds, main road funds, and Commonwealth grants totalling many millions of pounds more than any other Western Australian Government has received, the Minister is asked to explain why the numbers of unemployed have increased and trade depressed.

The Hon. A. F. GRIFFITH replied:

Although unemployment has increased in Western Australia in recent months, it has not reached the post-war record proportions of early 1959 under the Government in which the honourable member was a Minister, when our percentage of unemployment was the second highest in Australia and well above the Australian average. At present we share with one other State the lowest percentage in Australia.

It is a fact that Government expenditure today is at its highest level, just as the expenditure of the Labor Government in 1959—when unemployment was at its highest—was a record to that time.

To maintain a proper perspective, increase in Government expenditure must be related to increased costs, including higher wages, and to the increasing population.

## WUNDOWIE CHARCOAL IRON AND STEEL INDUSTRY

### *Payment of Timber Royalties*

5. The Hon. N. E. BAXTER asked the Minister for Mines:

- (1) Is the Minister aware that—
  - (a) the Department of Forests is demanding a royalty on timber cut from forest reserves by the Wundowie Charcoal Iron and Steel Industry;
  - (b) this policy by the Department of Forests is forcing the industry to haul timber for conversion to charcoal from greater distances than adjacent forest reserves, because it is more economical to haul the longer distance than pay the royalty;
  - (c) the industry is agreeable to pay royalty on any reasonable milling timber, but finds it uneconomical to pay royalty on timber that is of no use or of little value except for conversion to charcoal?
- (2) Will the Minister investigate in an endeavour to make a reasonable arrangement regarding future royalties?

The Hon. A. F. GRIFFITH replied:

- (1) (a) Yes.
  - (b) No. The charcoal iron and steel industry board of management advises that it is quite satisfied with its arrangements with the Forests Department both as regards areas to be cut over and royalties for wood for conversion to charcoal.
  - (c) No. Normal firewood royalties only are paid by the Wundowie industry on wood used for charcoal, and as the industry is operating at a profit and firewood royalties are low there is no reason why it should not continue to pay such royalties.
- (2) Existing arrangements are considered reasonable.

## CROWN LAND

### *Burning off in Metropolitan Area*

6. The Hon. E. M. DAVIES asked the Minister for Local Government:

Further to my previous questions on Thursday, the 1st November and Friday, the 25th November,

1960, relating to burning off Crown lands in the metropolitan area, and in view of the reply received, will the Minister please advise what action, if any, has been taken by the Government to ensure the elimination of the fire hazard which exists on the areas of land referred to in my question dated the 25th November, 1960?

The Hon. L. A. LOGAN replied:

The list of blocks submitted by the honourable member includes Commonwealth lands and also a number of freehold blocks. The balance are under the control of various authorities for the purpose for which they were acquired or reserved.

Since this matter was raised last session, the Government has appointed a Royal Commission to investigate and report upon bush fires in Western Australia during the last summer.

Although no decision will be reached re Crown land generally until the commissioner's report has been received and considered, I have taken the matter up with the Fire Brigades Board which instrumentality favours a reversion to the policing of Crown land blocks by a Public Works Department land officer.

The matter is being referred to the Minister for Works for his review of the position; in fact the matter went on to the Minister this morning.

## MIDLAND PROVINCE WATER SUPPLY

### *Surveys for a Comprehensive Scheme*

7. The Hon. A. R. JONES asked the Minister for Local Government:

In view of the Government's intensified interest in water projects, recently demonstrated by the commencement of the Ord River damming and the declared extensions to the present comprehensive schemes, will the Minister supply answers to the following:—

- (a) To what extent has the Department of Public Works and Water Supplies carried out surveys for a supply or supplies of water to establish a comprehensive scheme to cover the Midland Province?
- (b) If surveys are not yet complete, when can completion be expected?
- (c) If surveys are completed and water is available, when is it anticipated that the project will be commenced?

The Hon. L. A. LOGAN replied:

- (a) Early thinking envisaged a possible midlands area comprehensive water supply scheme based on Gingin Brook. Present planning envisages such a scheme developing as a future extension of the Modified Comprehensive Water Supply Scheme, with suitable augmentation of the supply available in Mundaring Weir. In the meantime, supplies to towns are being developed as finance becomes available.

Current investigations on streams suitable to augment the available supply from Mundaring Weir include Gingin, Wooroloo, and Piesse's Brooks, the further harnessing of the Helena River, and also the possible harnessing of the Darkan River.

Surveys to augment supplies to Carnamah and Morawa are in course, and the department has recently purchased the Koojan, Moora, Watheroo, Coorow, and Walkaway supplies from the Midland Railway Company.

- (b) Surveys are well in advance of likely available finance. Completion of surveys cannot be expected in the foreseeable future as such work is virtually continuous.
- (c) Town supplies, based on local schemes, are currently in hand. Northern expansion will proceed as finance becomes available. Such rate could be accelerated by Commonwealth participation.

## TRAFFIC ACT

### *Reprint of Regulations*

8. The Hon. A. L. LOTON asked the Minister for Mines:

Will the Minister in view of the confusion and uncertainty which exists in the minds of the public, take the necessary action to have the regulations made under the Traffic Act, 1919, and published in the *Government Gazette* on the 15th December, 1954, reprinted with amendments without further delay?

The Hon. A. F. GRIFFITH replied:

It is agreed that reprinting of the Traffic Regulations as soon as possible is necessary, but authority to redraft the regulations has been deferred pending the outcome of the recommendations of the Australian Road Traffic Code Committee which if adopted will make further amendments necessary.

## LUPIN SEED

### *Improvement of Local Product*

9. The Hon. C. R. ABBEY asked the Minister for Mines:

In view of the fact that large quantities of lupin seed are imported annually by orchardists etc., in Western Australia for planting as a green manure crop will the Minister advise whether experiments are at present being conducted by the Department of Agriculture to improve the W.A. blue lupin with a view to providing an alternative locally grown source of seed for this purpose?

The Hon. A. F. GRIFFITH replied:

No experiments have been carried out to improve the W.A. blue lupin as a green manuring plant because it is not very suitable for that purpose. The New Zealand blue lupin is more satisfactory and the seed less costly. This lupin is grown in Western Australia for seed, production being influenced largely by the price of external supplies, particularly from New Zealand.

## LEUCOSIS CONTROL

### *Assistance for Poultry Farmers*

10. The Hon. N. E. BAXTER asked the Minister for Local Government:

- (1) What action is being taken by the Department of Agriculture to assist poultry farmers in the control of leucosis?
- (2) Does the Minister consider the disease is affecting the economic position of producers?

The Hon. A. F. GRIFFITH (for The Hon. L. A. Logan) replied:

- (1) Despite world-wide research, the cause of leucosis still remains unsolved, although it is believed to be a viral disease. No effective treatment is known, and the only control measure that appears to be useful is the rearing of chickens as far removed from the older stock as possible. This information is passed on to poultry farmers by a possible means.

- (2) Yes. Losses within the industry during the past few years appear to be almost 20 per cent., and much higher figures occur on individual farms. Deaths often occur just as the stock are beginning to show return for rearing costs.

In the Eastern States and other countries some resistance appears to develop after a period of serious infection and it is hoped that the same pattern will be followed here.

## ADDRESS-IN-REPLY: SECOND DAY

### *Motion*

Debate resumed from the 3rd August.

**THE HON. H. C. STRICKLAND** (North—Leader of the Opposition) [5.3 p.m.]: I listened with great interest to His Excellency the Lieutenant-Governor when he delivered his Speech last Thursday. I have also studied the Speech with great interest since receiving a copy, and I want to say from the outset that we know His Excellency's Speeches are compiled on the advice he receives from Her Majesty's Ministers; and to that extent, of course, we understand that His Excellency may not, in some cases, have been properly advised. Therefore, in criticising the Speech I am not criticising His Excellency. However, I do intend to criticise some of the advice which has been tendered to His Excellency and through His Excellency to the people of Western Australia and to the members of this Parliament.

It is a noticeable feature that the Speech commences with promises of a bright future for Western Australia—a bright outlook, and so on. I have no doubt that to anybody who reads the daily Press or who listens to the radio and the views and news items on TV, the picture is certainly presented in a very rosy fashion. The picture does look bright; but how far ahead have we to look to see that brightness materialise? It is all very well for a Government to tell us year after year that the prospects are bright; that we are going to be better off next year; that the economy is going to be better; that the State is expanding, when we know for a positive fact that the State is not expanding at the moment and that unfortunately this State, like the rest of the Australian States, is suffering a severe recession, as it is called these days.

The State is suffering severely from depressed industrial and commercial activities with resultant unemployment. I asked a question on Opening Day and the Minister has just given me the answer. Again the Minister felt very pleased with himself when he was able to give me this answer, which was really a comparison with what happened or what was current in 1959, when the Minister claims that unemployment was at its highest. The figures show that. We know that unemployment was at its highest at the beginning of that year, but the figure was much lower at the end of that year and at the end of the preceding year than it is at present. At the end of 1958 some 5,906 persons were registered for unemployment in Western Australia. This figure deteriorated in January and February, 1959, to 7,000 odd.

The Hon. A. F. Griffith: When did it reach 7,000?

The Hon. H. C. STRICKLAND: In March it was around 6,800. In January, 1959, the figure was 7,431, if that is what the Minister is asking about.

The Hon. A. F. Griffith: I wanted to know when it was 7,000.

The Hon. H. C. STRICKLAND: In January, 1959. During the months prior to this Government's taking office, the figures were higher than they are today, but not by very much. There are reasons, which members of this Parliament will recall, why they were higher at that particular period. They were bad right through 1957 and 1958, and they are still bad. They have continued to be bad right through; but one of the main reasons was that the Opposition of the day was, in fact, a destructive Opposition and not a constructive Opposition.

Members will recall how the Hawke Government prevailed upon the Federal Treasury—which, after all, governs the economy of Australia—to relieve that situation. Members will surely not forget how they objected to some of the measures which the Government proposed in order to assist. I need only mention two measures which will give an idea of what goes on behind the scenes and how Governments do not always carry out the functions which they have been elected to perform—that is, do the best for the country and the people who are in it.

The first action that comes readily to mind—and one which caused quite a lot of heartburning amongst many people here—to relieve the unemployment situation was the proposal to export 1,000,000 tons of iron ore; and the Opposition in this House refused to support a motion for that purpose. There was also opposition to the construction of Wandana Flats. I remember the Minister having something to say about that when he occupied this seat. I remember the picture that was painted—how a slum area was going to be created. I also remember when, in company with my superior, we called upon the responsible Minister in Canberra, and his first words were, "This is highly political." They were his first words of greeting to the Premier of the day and myself in connection with Wandana Flats. Those are two things which come readily to my mind, and which show that a destructive Opposition can deliberately hinder a Government when that Opposition has friends who handle purse-strings.

The second part of my question was, "Why should unemployment be so rife and so serious today and so disastrous for the small business interests when the Government of the day has had millions more pounds at its disposal than any other Government in the history of Western

Australia?" It is true for the Minister to say that successive Governments receive more money, but in the two full financial years that this Government has been in office it has received £30,000,000 more than did the previous Government in its last year of office. This would amount to £15,000,000 per financial year. Where has the money gone?

The Hon. G. Bennetts: There are a lot of trips to America in that.

The Hon. A. F. Griffith: You had better not bring that up.

The Hon. H. C. STRICKLAND: The honourable member says there have been a lot of trips to America. However, that does not run away with millions of pounds; but money expended in that direction could possibly have provided some work for a number of people. The moneys that were obtained by the present Government over the last two years were in large lumps. These moneys were received from Canberra by way of loan funds; and there is an average of £5,000,000 per year increase in loan fund moneys over the 1958-1959 financial year. For this financial year there is almost another £1,000,000 of loan funds available for works and housing. There is also £300,000 to £400,000 being made available for other Government works.

The Hon. A. F. Griffith: Surely you are not complaining about that!

The Hon. H. C. STRICKLAND: There is also £5,000,000 which the Hawke Government obtained, in conjunction with an all-party delegation to Canberra, for expenditure in the Kimberleys—tied to the Kimberleys by the Commonwealth Government. So there have been large lumps of money. That was an amount of £5,000,000, not loan funds, but a direct grant with nothing whatever to worry about in regard to spending it, but simply to spend it where the Commonwealth Government approved. Of course this Government has not done that. It has spent the money, but not in those places to which the Commonwealth tied the Hawke Government in regard to spending it.

It has also had at its disposal millions more in main roads funds. In fact the total main roads funds in the last year of the Hawke Government was £8,202,000. When I say "total main roads funds" I am speaking of the Federal aids road grant and several other sums which come from the Commonwealth through Federal Acts, and the amount of £750,000 from traffic fees, license fees, and other State-raising agencies.

The Minister answered the question which I asked without notice, and he said that the main roads funds will exceed £9,500,000. So when we add up all those amounts we find that for the two financial years that this Government has occupied the Treasury bench, it has

handled £30,000,000 in excess of the amount available during the last year that the Hawke Government was in office. But what has this Government to show for it?

The Hon. A. R. Jones: There have been a lot of rising costs in the way of wages, for a start.

The Hon. H. C. STRICKLAND: They have been offset by the sacking of employees.

The Hon. A. R. Jones: Don't be silly!

The Hon. H. C. STRICKLAND: I am not silly about it. The honourable member surely does not read the papers. Did not he read that Jason Industries Ltd. dismissed men; that Pope Products Ltd. dismissed men? If he has a look at the latest railway report available to us he will find that 440 men have been dismissed from the railways, also. It is not at all unusual for business of any description, when it is in a big way, to cut its losses; and it does not hesitate to do so.

When the Liberal Party Government applied what it called the credit squeeze and increased the sales tax by 10 per cent. on motorcars, what happened? Immediately General Motors Holdens Ltd. simply dismissed men in their thousands. Whether the Federal Government liked it or not, there is no doubt that big business set out to say, "We will bring you to your knees. We will simply use the workers as pawns"; and that is what they did. There is not the slightest doubt about that. The most defenceless and helpless person on earth, apart from the aboriginal, is the worker—the wage and salary earner. The Federal Liberal-Country Party Government, no doubt with the acquiescence of the States—the Commonwealth Government being a partner with the States—set about deliberately to disorganise the labour force—the wage and salary earners—by applying a credit squeeze and an import-free period. It lifted all restrictions on imports. We find advertised in today's newspaper, or yesterday's newspaper, a Japanese motorcar; and we can buy all sorts of things today that we can do without—things that we never dreamt or heard of in Australia before.

The fact was that the Federal Treasurer.—he said so—wanted to rearrange the work force in Australia. There has been no secret about that. On more than one occasion the Federal Treasurer has stated in the Press and in the Federal Parliament that he is happy with the results; that they are satisfactory; that the actions which his Government took were in line with the Government's intentions; and he said, "The main intention was to reshuffle the work force."

Well, here we are again with people who stand up and talk about freedom of the individual; no restrictions; free enterprise, and all the rest of it; people who

came out when the Chifley Government asked for more powers to organise more work throughout Australia and, in the Press and in the streets, said, with all their mighty propaganda, to the workers, "You will be directed into jobs if the Labor Party gets away with this lot: you will have to work where you are told to work." Today, 12 years later, we find the very same men imposing by a backdoor method regulations which are designed to do exactly that—to push men around from job to job. There were too many men in the motor industry but not enough in some other industry. The industries were never mentioned—or I never read which ones were starved for labour. They certainly could not have included the building industry, which is the biggest in the Commonwealth, because the building industry seems to have a chronic unemployed work force.

We are told, on the other hand, that this coalition Government's scheme was to arrest inflation. Heavens above! We know the story of inflation for a long way back. I can remember the very same parties bellowing about it in 1946 when the Chifley Government was in power. I can still hear Sir Arthur Fadden talking about the "Cheefly" pound; the value of the "Cheefly" pound. I wish I had a pocket full of them now instead of the Holt pound or the Fadden pound, because I feel I would be much better off; and so would everybody else. However, these are all specious excuses that are put over through the Press, on the radio, and through television. The people have nothing else poked at them so much, and so they really believe it. As Kirwan Ward said only a few days ago in his column, it is quite easy through these avenues to brainwash the people. Well, he ought to know because, I suppose, he has one of the biggest followings in Western Australia.

However, those are the facts today; and it is a disgrace in my opinion—and I think it should be in any Australian's opinion—that we have an empty country such as Australia, and a pitifully empty State such as Western Australia, yet we have people looking for work; people unemployed; people forced out of work by the Federal Government parties' actions.

The Minister may have felt pleased when he read the answers to my questions and told us that the position is not as bad now as it was in 1959. The highest unemployment figure in 1959 was 2.6 per cent. of the work force. The latest figures we have today are those at the 30th June which show the unemployment figures as being 2.3 per cent. of the work force—and these figures are presented from Canberra; they are published in *News Release*, and are authentic. The Minister—not the Minister, but the Premier, because I asked the question of the Minister representing the Premier or the Government, finds great

solace and comfort in the fact that an improvement of .3 per cent. of the unemployed work force is something to crow about and boast of in these days. Well, .3 per cent. represents about one-third of an individual per hundred. So there is one-third of an individual per hundred less unemployed today than there was at the highest peak in 1959 that the Minister talked about.

The Minister also told us—and we hear this repeatedly through the news avenues that I have already described—that the position is not as bad today as it was in those days. Well, here again we can have a look at the figures at the end of June; and the position is probably worse today. We have not yet got the July figures. At the end of June the percentage of the work force unemployed in Western Australia was 2.3, whereas in the other States it was higher. I think the highest was Queensland where the figure was about 3 per cent. As the Minister said, the figure of 2.3 per cent.—the lowest—today is shared with one other State in the Commonwealth. That is correct as at the end of the June quarter.

The Minister did not tell us what the position was at the end of the March quarter, but for comparison I shall read those figures. The percentage of the State's work force registered for work remained stationary at the end of March at 2.1. The actual number was 6,075, and the number on relief was 2,981. The percentages in the other States at the end of the March quarter were—New South Wales, 1.8; Victoria, 1.5; Queensland, 3.5; South Australia, 2.0; Tasmania, 1.7. So at the end of the March quarter the Western Australian figures were the second highest in Australia: we were not sharing the bottom with anybody. There was only one State ahead of us and that was Queensland.

The Hon. A. F. Griffith: That means the position here must have improved since last March.

The Hon. H. C. STRICKLAND: However, the Premier, as reported in the Press, seems to find cold comfort in that fact; and he is opposed to discussing the unemployment situation with the other Premiers throughout Australia. We know that before the Victorian election there was a reason why the question might not be desired to be discussed with some political parties: some Governments. But we also know that since that election has been decided, the Premier of Western Australia says he will attend. He said that although a move for such a conference would not win his support, he would attend a conference if one were held.

So, obviously the Premier and his Ministers are not in the least worried about the unemployment situation. They simply say, "The position is worse in other States and therefore it is not so bad here." However, that is just too bad for those 6,000-odd

unemployed in Western Australia, and it is more than bad for those who depend on the income from those men for their daily needs.

When we speak of the unemployed figure being at the 6,000-mark it would be quite safe to say that, actually, there are 18,000 people depending on those registered unemployed; but, in addition to that, there are many hundreds of unemployed who are not registered. For instance, I know very few unemployed in the north-west who are registered. When I spent three months up there recently I investigated the question very closely and, among the unemployed, I found that there were only a few who were registered. In Broome there were some Asiatics who had registered, and that was the only centre where I found anybody receiving unemployment relief. The two Asiatics were aged Malays or Asiatics of some other kind, and the relief that was being paid to them was stopped after a while, but I do not know the reason why.

There is a noticeable absence in the Speech of some of the most important questions which are worrying Western Australians today and, in fact, which are worrying all Australians throughout the Commonwealth. For example, I could find no mention of oil in the Minister's advice to His Excellency, through the medium of the Lieutenant-Governor's Speech. For some reason or other, best known to himself, the Minister has decided that the little that is being done in the search for oil is sufficient to meet the need for what should be done, and he is taking no action to revitalise the search for oil in Western Australia which we know is a vast potential oilfield. There is no doubt about that.

I am most interested to hear from the Minister on this subject because, according to Senator Spooner, oil has been discovered in two locations. They are two far-removed locations in the North Province and I am indeed anxious to hear what ideas or proposed action the Minister has in mind in attempting to encourage the company that holds the leases throughout the North Province to put two idle drills to work and allow the search for oil to proceed, because I notice that those two drills are stored away in Broome and not being used. If it is not proposed to do that, then someone else should be allowed to have a try; and there are many others who are anxious to try.

I think you would be interested, Mr. President, to hear some of the remarks that were made by Senator Spooner, as reported in an article published in *The Commerce and Industrial Mining Review* under date of July, 1961. Among other things, he is reported as having said that about £65,000,000 has been spent on oil exploration of the 1,500,000 square miles of

sedimentary basins, which represents £40 per square mile. Of this, £36,000,000 has been spent in New Guinea, which represents £360 per square mile, so that only £21 per square mile has been spent on the mainland basin; and about £60 per square mile has been spent in Wapet's tenement areas, in which we are all interested Senator Spooner, in this article, went on to say—

Large shows of oil have been shown at Meda and Rough Range, Western Australia.

Meda and Rough Range would be some 700 or 800 miles apart, and that, of course, covers a lot of ground. I did not know that there had been a show of oil at Meda, but I must confess that I do not know everything. Nevertheless, it is interesting to read and learn that information from Senator Spooner, who is responsible for administering the payment of Commonwealth subsidies in the search for oil. The Minister also goes on to say—

In Western Australia the Commonwealth has provided aerial photography of most of the State, carried out reconnaissance aero magnetic surveys over the Canning, Eucla and Officer basins, detailed aero magnetic surveys over the Perth, Carnarvon and Bonaparte Gulf basins and the coastal area of the Canning basin, reconnaissance gravity surveys in the Canning, Carnarvon and Perth basins, regional seismic surveys in the Bonaparte Gulf, Fitzroy, Carnarvon and Perth basins, regional geological surveys of the Bonaparte Gulf, Canning and Carnarvon basins, stratigraphic drilling in the Canning, Carnarvon and Perth basins and has subsidised company exploration in the Bonaparte Gulf, Canning, Carnarvon, Perth and Eucla basins.

The Commonwealth, which, after all, represents the taxpayers of Australia, is certainly very active, for its part, in the search for oil, but the company holding the leases which extend for some 2,000 miles from the Leeuwin to Wyndham along the coastal areas of Western Australia is doing very little. At present it is carrying out some drilling in the Eneabba area, with which I am not conversant, but to my knowledge that is the only drill that is working in Western Australia.

Members will recall that I asked a question during last session about the Commonwealth-owned drill which was operating in that area; I inquired to whom the oil would belong if that drill struck oil, and the Minister replied that it would belong to the company which owned the leases. That is a nice set up! A group of foreign oil companies is permitted to take up a 2,000-mile tract of country and if oil



is found after the taxpayers have paid for the drilling it will belong to that group of companies.

The Hon. A. F. Griffith: Your Government granted the leases.

The Hon. H. C. STRICKLAND: That is a nice proposition!

The Hon. A. F. Griffith: The same position prevailed when your Government granted the leases.

The Hon. H. C. STRICKLAND: We renewed them once and the Minister has renewed them since.

The Hon. A. F. Griffith: That is right.

The Hon. H. C. STRICKLAND: My Government renewed the leases because immediately oil was struck in the first well other foreign oil companies were anxious to have leases granted to them as close as possible to that oil well. Naturally, a Government is going to protect a company that strikes oil with its first drill when adjoining leases are sought by another company that previously held a lease and then relinquished it. The company that discovered oil did go to work: it had several drills working in the field after that first strike.

The Hon. A. F. Griffith: If the Bureau of Mineral Resources had struck oil first, the same position would have prevailed.

The Hon. H. C. STRICKLAND: The Australian taxpayer was not contributing anything towards its efforts except the cost of the geological survey of the whole area. That survey was commenced in 1946 or 1947, immediately after the cessation of hostilities. In fact, the bureau surveyed Dirk Hartog Island, but did not drill. The Commonwealth Bureau of Mineral Resources made reports and tendered advice, but did not engage in any active drilling for some time afterwards. The bureau then re-visited the area and "popped" off something in the ground and made a record of the reading from it. It was something similar to the cardiograph that a doctor takes of one's heart.

I did not mind contributing my share of the cost of that survey—it would be the greatest event in Australian history if we could discover oil—but I object to the sleeping partner. There are a number of Australian oil companies operating, and some of them, I will admit, have transferred their efforts from the search for oil to the search for metals. There is an association of oil companies, some of which are active, but some completely idle. The organisation is called the Australian Petroleum Exploration Association, and it is receiving quite a deal of publicity at the moment in the Press.

In a cutting from *The Australian Financial Times*, dated the 24th July, 1961, this organisation points out what is happening in the oil industry, from the Australian point of view. The article published in this

newspaper is by Mr. K. W. Craig, Chairman of the Oil Development, N.L. Among other things, Mr. Craig stresses the need to step up the search for oil in Western Australia. He points to the fact that supplies of oil from the Middle East could be cut off at any time and that our Indonesian supplies are not secure by any stretch of the imagination. He states that there are risky tendencies, and there certainly are. After expressing that point of view, Mr. Craig goes on to say—

Australians should, perhaps, learn a lesson from the Canadian scene where this tendency has, in recent years, been the cause of considerable dissatisfaction, for the Canadians now find that control of their resources of oil is largely in the hands of large United States and other overseas groups.

Now, in a period of oversupply in world markets, Canadian output and exploration is being restricted with the Canadians having only a minor say in such policy decisions.

The point of this discussion, therefore, is to emphasise the need for more substantial financial and other support for Australian oil exploration organisations (and the emphasis is on "Australian"), than has been offered in the past.

The reason why Mr. Craig is telling us, per the medium of this journal, what is happening in Canada is that the world found itself in a position where oil was overproduced; and it is still overproduced. There is a glut of oil. As a result, the companies simply closed down those oil wells which were most expensive to operate—which is normal business procedure anyway. But, unfortunately, Canada is suffering from the effects of a world glut in oil.

One does not know whether Australians will have to suffer the same effect as the Canadians. Despite what the Minister has said in his defence of these companies, without question there has been a slowing down by the companies in their search for oil. If the Minister has visited Broome he will have seen at least two, if not three, oil rigs stowed in the yards of Wapet there. We know that the Freney Oil Company has not one rig on its lease. It used to have one but the rig has been shifted to the Eastern States.

The time has arrived when the Government should do something about this matter. It should try to shake up the lessees. Under the Petroleum Act the Government has no power to resume all the area that has been allocated to a lessee, but lessees could be encouraged to release some of the areas they are holding, as they did when the Hawke Government extended the terms of the leases. The lessees in question released an area situated between

Wyndham and Darwin. That brought another company into the field in the search for oil up there.

The Australian Exploration Association has requested preferential treatment over foreign-owned companies; it also advocated—probably the Minister has received some correspondence on this matter, and if not he has probably seen some—that State Ministers should take steps to examine the areas held under leases which are not being worked. I hope the Minister will tell us in his reply something about this very important and vital question of oil search in Western Australia.

We know that in recent months the Minister has worked very hard in respect of the iron ore discoveries which have been made in this State, in an endeavour to get some party to mine the ore. He stated in the newspapers that reservations had been granted throughout most of the State to various companies, though not very large acreages. I am very pleased to see some Western Australian companies being granted reserves, but I am disappointed to see such a number of big overseas companies being granted the very large reserves. The very same trend which occurred in the search for oil in Canada could happen to our iron ore when we get tangled up with overseas combines.

The Hon. A. F. Griffith: One minute you are praising the Government and the next you are complaining.

The Hon. H. C. STRICKLAND: If the Minister does his complaining when he speaks and allows me to do my complaining when I speak, I shall be happy. The Minister's Government could easily fall into the chasm into which the Canadian Government fell when it granted large areas of land for oil exploration. If the iron ore market were to fall, naturally the lessees would only carry on working the deposits which were the cheapest to mine.

While it is very good to see activity in the iron ore reserves in this State, and while I will always support any move for the export of iron ore or other minerals of which we have an excess over our requirements, I do object to overseas companies coming into Western Australia once again to reap the benefit of our natural resources, because I firmly believe that while we export our iron ore we are also exporting the profits from this ore.

The Hon. A. F. Griffith: Who said that all this ore was going to be exported?

The Hon. H. C. STRICKLAND: The profits from the iron ore of this State will, in my opinion, be distributed in a similar way to the profits from oil which is produced in the Middle East. It is time the Government stepped in to cash in on the natural resources of this State, and so reduce the taxation which it imposes on the people.

It is reasonable to assume that if overseas companies are to mine the iron ore and dispose of it, the profits will be sent out of Australia. This process will further aggravate the overseas balances of Australia.

While I congratulate the Minister on the work he has done in this matter, and while I am pleased to see activity in the mining of iron ore in this State, which will absorb some of the unemployed, I consider it is wrong to grant huge deposits of ore to foreign interests. These interests will not extract the iron from the ore in this State: they propose to sell the ore in the Eastern States markets. In effect they will be middle men.

The Hon. A. F. Griffith: Can you tell me one deposit which I have given to an overseas company?

The Hon. H. C. STRICKLAND: I read about one instance in the *Daily News*.

The Hon. A. F. Griffith: All I want to know is the name of one deposit which I am alleged to have given to an overseas company.

The Hon. H. C. STRICKLAND: The Minister will be able to tell us the ones I refer to a report in the *Daily News* of the 7th August, 1961, which reads as follows:—

W.A. Included in Big Progress Plans.

Melbourne, Mon.: Consolidated Goldfields, of South Africa Ltd., London is expected to make an announcement of Australia-wide developmental plans within the next few days.

With two other organisations Consolidated Goldfields will carry out—among other things—an iron ore exploration programme in the Ellarine Hills of W.A.

The Ellarine Hills are near Port Hedland.

I imagine the Mt. Goldsworthy deposit is included in this area.

The Hon. A. F. Griffith: Your imagination differs so greatly from the facts that you ought to stop.

The Hon. H. C. STRICKLAND: I imagine the Mt. Goldsworthy deposit is included in that area. I have not heard of the Ellarine Hills, and I am obliged for the information which the Minister has just given. The report goes on—

The other organisations are the Cyprus Mines Corporation of Los Angeles and the Utah Construction Co. of San Francisco.

Consolidated Goldfields took a 54 per cent. interest in Commonwealth Mining Investments (Aust.) Ltd through its subsidiary, Consolidated Goldfields (Aust.) Pty. Ltd., last year

The Hon. A. F. Griffith: You have not told us the name of one company to which I am alleged to have given an area.

The Hon. H. C. STRICKLAND: Whether or not the Minister has done so, these people will be going on with exploration.

The Hon. A. F. Griffith: I have given them a prospecting area in respect of iron ore.

The Hon. H. C. STRICKLAND: If the Minister gives them a taste, he will finish up with giving them a full bottle. The article states further—

Commonwealth Mining has wide interests in Australian mining companies, including gold, copper, lead and zinc, coal, uranium, tin and tungsten.

It owns 125,000 Broken Hill South shares.

Julius Kruttschnitt, director of Mount Isa Mines Ltd., which is 53.9 per cent. owned by the American Smelting and Refining Co., is chairman of Commonwealth mining.

Cyprus Mines Corporation is part-owner of the Marcona Mining Co., of Peru, producers of iron ore.

A substantial number of companies, formed into a group, have very large interests in Australia, apart from their interests in iron ore.

The Federal Government introduced regulations imposing restrictions, which threw more than 120,000 men out of work, in order—according to that Government—to arrest inflation and the deterioration of our overseas credits. In my view no action taken by the Commonwealth Government can cope with the financial position of Australia while we export our natural wealth overseas, apart from wool, wheat, and other primary products. In Western Australia, through some misfortune, big overseas combines are getting hold of our iron ore deposits and selling the ore.

I was interested in the portion of the Lieutenant-Governor's Speech which stated that for the second year in succession an improvement in the Railways Department's finances has been effected. If he had been properly advised by the Government he would have told the people that this improvement had been brought about for several years in succession, not merely two years. We know that the railways finances began to improve from 1953. The disastrous record loss was sustained in 1952-53 under the McLarty-Watts Government, when the operating expenses over revenue exceeded £4,000,000, apart from

interest, depreciation and pensions. Members will realise what a tragedy that was! That was the occasion when the Government prolonged the metal trades strike.

Another subject which was omitted from the Lieutenant-Governor's Speech concerned the construction of the Chevron-Hilton Hotel. There again was another instance in which the Government rushed in and gave away a tremendous asset to a party which did not have the money to finance the project. The result is that today we have the problem of arranging the completion of such projects. It is hard to imagine that the Government, which is made up of many successful businessmen, would fritter away the valuable assets of this State in such a fashion.

I have read, but I did not enjoy reading, that the Government has decided to sell the State Building Supplies. We are aware this instrumentality has been a thorn in the side of the privately-owned competitors in this State. I know that, because when I was Minister for Railways I received deputations representing those interests when they could no longer control the supply of railway sleepers to the Railways Department. I had called tenders and had refused to accept the price which the sawmillers' organisation submitted to previous Governments. That organisation had succeeded in obtaining control of the supply of all sleepers to the Government, except for a small quantity which came from the Banksiadale mill owned by the department.

In the first place it is hard to imagine why hard-headed businessmen, as are many of the members of this Government, would allow an overseas firm—a giant was the description used by the Premier—to obtain possession of the State Building Supplies for about half of their market value. The Premier himself said that the book value was written down by about £1,500,000. I would like to know of any business concern in the State, or in Australia, for that matter, which would accept the book value for its business.

The Premier and the Minister for Industrial Development wrote the price down by £1,500,000, and threw in the Banksiadale railway mill with its tremendous reserves of the best jarrah forests in the State. Despite this, the price was still only £2,000,000. Why, the Banksiadale mill alone, including its plant, locomotives, and jarrah reserves, must be worth £750,000! But there it is. The Government decides that as it has an old friend connected with the firm, it will give that firm a bargain price.

We will find that the Hawker Siddeley group will, if it passes through a depressed period, close down some of the

State Building Supplies concerns and will cut its losses, the same as have all the other big concerns throughout Australia since last November. Why the Government will consistently pass over Australian or Western Australian bidders for these concerns in favour of overseas interests, I am at a loss to understand.

I am opposed to the sale of the concerns at all, but I do say that if the Government decided to sell the concerns, it should at least have accepted a lower figure from a local organisation rather than a few hundred thousand pounds more from an overseas organisation. The Government would be compensated by the reinvestment which would follow: the profits would stay here in Western Australia, and the firm would be encouraged to reinvest in some other industry. However, once the money leaves Australia, it has gone for keeps.

I cannot understand why preference should be given to a firm such as this which has done nothing whatever in Western Australia in connection with the sawmilling industry or the brickworks. It has done nothing whatever to pioneer those industries which the people's money established, because State funds were used in this connection. Despite this fact, however, this gigantic overseas company has been handed the tremendously valuable organisation, to which I have referred, for a mere £2,000,000, the deposit being £200,000, and the balance to be paid over 20 years.

It amazes me—it really does—to think that members supporting the Government have not had something to say in connection with this matter, because, after all, when a valuable asset such as these forests, are handed over to an overseas interest, Western Australia is certainly not being developed one little bit. The £2,000,000, the price being charged for this organisation, will not even repay the debt owing to the Treasury. It will not even balance the budget in that respect, because the advances from the Treasury will not have been paid off. For this reason I say that these hard-headed, alert businessmen who occupy the Treasury bench, have certainly slipped a ton in respect to the disposal of this organisation at a bargain price; and I feel it is most unfair indeed to the taxpayers of Western Australia, because they are the ones who originally supplied most of the capital to establish the industry. I am sure that the money would have come from State funds before uniform taxation was introduced.

It is a crying shame that the Government of today should let those people down so badly by selling out £4,000,000 worth of assets for a paltry £2,000,000. In addition to that, the profit will be going overseas.

### *Amendment to Motion*

I feel so strongly on the subject, which I believe is very serious for this State, that, in order that the matter might be thoroughly investigated, I move an amendment—

That the following words be added to the motion:—

However, we condemn strongly the action of the Government in selling the State Building Supplies at bargain prices to an enormously wealthy overseas company, and we consider a Royal Commission should be set up to investigate the transaction thoroughly.

**Debate (on amendment to the motion) adjourned, on motion by The Hon. A. F. Griffith (Minister for Mines).**

*House adjourned at 6.10 p.m.*

## Legislative Assembly

Tuesday, the 8th August, 1961

### CONTENTS

	Page
<b>CONDOLENCE—</b>	
The late Mr. H. D. Andrew, M.L.A. ....	25
<b>DEPUTY CHAIRMEN OF COMMITTEES—</b>	
Appointment .....	26
<b>QUESTIONS ON NOTICE—</b>	
Banksiadale Mill: Sale and Financial Details .....	32
Beverly Junior High School: Tenders for Completion .....	35
Carpentry Apprentices—	
Number in Training .....	34
Public Works Department Trainees....	34
Coal: Output from February to July, and Quantity of Open-cut .....	26
Commonwealth Grant: Amount Credited to Consolidated Revenue .....	38
De-salination of Water: Inquiry into Latest Process .....	33
Electoral Districts: Progress of Redivision Fremantle Harbour Trust—	35
Office Accommodation .....	33
Passenger Terminal Buildings .....	33
Gascoyne River—	
Proposals for Water Conservation .....	36
Tabling of Furphy Report .....	36
Housing of Teachers: Report on Questionnaires, and Proposed Action .....	35
Loan Council: Allocations and Expenditure .....	37
Metropolitan Water Supply Department—	
Building Improvement in Ratable Area .....	32
Increased Collections and Source .....	35
Influence of Operations on Financial Returns .....	34
Number of Unmetered Properties .....	32
Rates on Additional Improved Land .....	32