

have done a fair day's work today, from 2.30 this afternoon, and on the conclusion of the second reading of this Bill I think it will be time for us to go home, and we can come back fresh next week.

Question put and passed.

Bill read a second time.

House adjourned at 10.26 p.m.

Legislative Assembly

Thursday, the 5th November, 1964

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The SPEAKER (Mr. Hearman) took the Chair at 2.15 p.m., and read prayers.

QUESTIONS ON NOTICE**PUBLIC HALL AT WUNDOWIE***Government Assistance for Replacement*

1. Mr. HAWKE asked the Minister for Industrial Development:

In view of the urgent need for a new and much larger public hall at Wundowie, would the Government be prepared to co-operate financially with the local shire council and the board of management of the local industry for the purpose of making available to the local community an urgently needed and well deserved new and adequate public hall?

Mr. COURT replied:

It is considered that the provision of a public hall at Wundowie is not a government responsibility. Wundowie services a developing agricultural area as well as the charcoal iron industry.

It is usual for such amenities to be provided by such organisations as local authorities or progress associations.

The matter will be referred to the board of management to see if its views are changed from the last time it was under consideration at the honourable member's request.

FREMANTLE TRAFFIC OFFICE*Revenue and Staff*

2. Mr. FLETCHER asked the Minister for Police:

Would he inform me of—

- revenue across the counter at the Fremantle traffic office for each of the past five financial years;
- the number and classification of staff for each of those years;
- the number of accident inquiry personnel on the Fremantle staff at the present time?

Mr. CRAIG replied:

- 1959-60—£264,768.
1960-61—£312,665.
1961-62—£354,524.
1962-63—£393,176.
1963-64—£496,678.

			Public	
			Police	Service Total
(b)	1959-60	....	13	5 18
	1960-61	....	13	5 18
	1961-62	....	13	5 18
	1962-63	....	14	5 19
	1963-64	....	15	5 20

(c) Four.

CARAVAN PARKS*Number in W.A., and Situations and Proprietors*

3. Mr. GRAYDEN asked the Minister representing the Minister for Local Government:

- How many caravan parks are there in Western Australia?
- Where is each park situated?
- What are the names and addresses of the proprietors of the parks?

Mr. NALDER replied:

- This information is not available and could only be obtained by seeking information from each and every local authority throughout the State.
- Vide* (1).
- Vide* (1).

4. *This question was postponed.*

MULLEWA-MEEKATHARRA RAILWAY LINE*Track Re-laying: Rails Used*

5. Mr. SEWELL asked the Minister for Railways:

If it is as stated that the 45 lb x 24 ft. rails in use on the Mullewa-Meekatharra railway were rolled in 1895 and the rails sold from the closed lines of Cue-Big Bell and Meekatharra-Wiluna were of 45 lb x 30 ft. and rolled in 1925, why were not the 1925 rolled rails used in the rehabilitation of the Mullewa-Meekatharra line?

Mr. COURT replied:

The policy of the department is that any re-laying of light track will be in heavier rail.

Both the Mullewa-Meekatharra and Meekatharra-Wiluna sections were laid with rails rolled between the years 1893 and 1912—the former section in 24 ft. lengths and the latter 30 ft. lengths.

Rail on the Cue-Big Bell line was rolled in 1927.

CARAVAN PARKS: MODEL BY-LAWS*Formulation, Consultations, and Tabling*

6. Mr. GRAYDEN asked the Minister representing the Minister for Local Government:

- (1) What Government departments and/or other authorities are responsible for the formulation of the caravan model by-laws?
- (2) Who were the actual officers concerned?
- (3) Were the owners of caravan parks or the Caravan Trade and Industries Association consulted during the formulation of the caravan model by-laws?
- (4) Will he lay on the Table of the House all papers relating to the formulation of the caravan model by-laws?

Mr. NALDER replied:

- (1) The original caravan park by-laws applying to roads districts were prepared by the Local Government Department after ascertaining the views of the Road Board Association and Local Government Association. The present model by-laws under the Local Government Act were prepared by a committee consisting of representatives of the Town Planning Board, Public Health Department, Tourist Development Authority, and Local Government Department appointed after a meeting representing those departments together with the Police Department, Main Roads Department, and the Local Government Association.
- (2) Messrs. Long (Town Planning), Flower (Health), Miller (Tourist Development Authority), and White (Local Government).
- (3) No. They made representation subsequently.
- (4) Yes.

CARAVAN PARKS: HEALTH BY-LAWS*Dissatisfaction in Country Areas*

7. Mr. GRAYDEN asked the Minister for Health:

Have any representations been made to him by the owners of country caravan parks expressing dissatisfaction with health by-laws or regulations affecting caravan parks and, if so, what aspects are causing concern?

Mr. ROSS HUTCHINSON:

The local tourist bureau at Augusta-Margaret River has indicated that it wishes to discuss matters of dissatisfaction. An opportunity to do this has recently been given and causes for dissatisfaction will be ascertained.

CARAVAN PARKS: MODEL BY-LAWS*Dissatisfaction amongst Park Owners*

8. Mr. GRAYDEN asked the Minister representing the Minister for Local Government:

Have any representations been made to him by the owners of caravan parks expressing dissatisfaction with the caravan model by-laws and, if so, what aspects of these by-laws are causing concern?

Mr. NALDER replied:

Yes. The principal problem appears to be the inability of owners of caravan parks to bring their establishments into conformity with the model by-laws without incurring considerable expense. The problems chiefly affecting them are those of insufficient area and the obligation under the caravan park by-laws to dispense with permanent establishments on caravan parks and to provide for their use by the travelling public. Soon after the by-laws were promulgated, the caravan park owners expressed dissatisfaction at the size of the internal roads required and the distance from side boundaries, these items having been immediately corrected by an amendment to the by-laws.

KOJONUP-BOWELLING ROAD*Sealing by Main Roads Department*

9. Mr. H. MAY asked the Minister for Works:

Is provision being made by the Main Roads Department to take over the Kojonup-Bowellling Road and seal same during the 1964-65 financial year?

Mr. WILD replied:
No.

PNEUMOCONIOSIS: DETECTION AND TREATMENT*Developments Overseas: Investigation by Departmental Officers*

10. Mr. MOIR asked the Minister for Health:

- (1) Will he give serious consideration to the desirability of sending medical officers of the Department of Health overseas in order to study the latest developments regarding the detection and possible treatment of pneumoconiosis in those countries which may have more advanced techniques regarding the disease than may be known in this State at present?

- (2) If he considers this desirable and a decision is made to enable medical officers to make this investigation, can it be expected that the officers selected would be those who will be appointed by the Commissioner of Health to officiate on the Medical Board under the provision of the Workers' Compensation Act?

Mr. ROSS HUTCHINSON replied:

- (1) and (2) A medical officer of the Health Department, who will be a member of the Medical Board under the Workers' Compensation Act, has recently returned from studying pneumoconiosis during an extensive tour abroad.

OIL PERMITS IN ESPERANCE AREA

Holders, and Exploratory Work Done

11. Mr. MOIR asked the Minister representing the Minister for Mines:

- (1) Who are the holders of oil permit areas P.E.171H, P.E.199H, P.E.211H, and P.E.210H in the Esperance area?
- (2) Has exploratory work of any kind been undertaken on these holdings? If so, will he indicate the nature of the work?

Renewal

- (3) Have these permits been renewed? If so, when and for what term?

Mr. BOVELL replied:

- (1) P.E.171H was held by James Turnbull. It expired on the 2nd August, 1964. P.E.199H is held by Pilbara Exploration N.L. P.E.211H and 210H are held by Australian Oil Corporation.

- (2) Reported exploration:

On P.E.171H three shallow scout holes were drilled and a ground survey carried out.

On P.E.199H several ground parties made surface examinations and some aerial reconnaissance flights were made.

On P.E.211H and 210H a geological reconnaissance was carried out and a magnetometer traverse run over part of 210H and adjoining permits.

- (3) P.E.171H was not renewed.

P.E.199H was renewed on the 4th September, 1964, for three months to the 15th November, 1964.

P.E.211H and 210H were renewed on the 5th October, 1964, for six months to the 28th February, 1965.

SCHOOL AT GRASS PATCH

Erection

12. Mr. MOIR asked the Minister for Education:

- (1) Have plans been formulated to build a school at Grass Patch this year? If not, can he give any indication when this would be likely?

Number of Students Available

- (2) How many children of school age at present reside in the area that a school at this centre would cater for?

Mr. LEWIS replied:

- (1) Yes; approval has been given for a two-roomed school to be erected at Grass Patch. Work should commence in mid-1965.

- (2) It is understood there are 76 school-age children in the district, most of whom are transported to Salmon Gums. The actual number to attend Grass Patch will depend on the reorganisation of the bus services.

RAILWAYS DEPARTMENT EMPLOYEES

Wages Staff

13. Mr. BRADY asked the Minister for Railways:

- (1) What was the number of railway employees (wages staff) in June, 1959, and in June, 1964?

Locomotive Cleaners

- (2) How many locomotive cleaners were engaged at June, 1959 and June, 1964?

Permanent Way Gangs

- (3) What margin above the basic wage was paid permanent way employees at June, 1959 and June, 1964?

- (4) How many permanent way employees were employed during the year ended June, 1964?

Mr. COURT replied:

- (1) Wages staff employed as at the 30th June, 1959—11,281.

Wages staff employed as at the 30th June, 1964—9,663.

- (2) Trainee enginemen engaged as at the 30th June, 1959—271.

Trainee enginemen engaged as at the 30th June, 1964—233.

(3)	Margin Over Basic Wage	s. d.		s. d.	
		30/6/59	30/6/64	30/6/59	30/6/64
Repairer 1st year		14	0	25	0
Repairer 2nd year		17	0	29	0
Repairer 3rd year		24	0	37	6
Leading repairer		35	0	55	0
Ganger 3rd Class		50	0	77	6
Ganger 2nd Class		60	0	92	6
Ganger 1st Class		75	0	113	6
Ganger Special Class		86	0	128	6
Length runner		30	0	47	6
(4) Truck men employed as at the 30th June, 1964—1,367.					

RAILWAY WORKSHOPS

Accident Rate and Cost

14. Mr. BRADY asked the Minister for Railways:

- (1) What was the accident rate at the Government Railway Workshops for the years ended June, 1959, 1960, 1961, 1962, 1963, and 1964?
- (2) What is the approximate cost of accidents for the year ended the 30th June, 1964?

Safety Committees' Meetings

- (3) Are safety committees meeting regularly to prevent accidents?

Mr. COURT replied:

- (1) The lost time accident frequency rates for each year ended the 30th June are as under:

1959—134,494.
1960—105,002.
1961—118,745.
1962—136,604.
1963—120,151.
1964—97,62.

The frequency rate expresses the number of lost time accidents per million hours worked. Frequency rates for minor accidents are not calculated.

- (2) £32,000 approximately.
- (3) Yes.

15. This question was postponed.

RAILWAY STATION AND YARD AT ESPERANCE

Vesting of Site in Shire Council

16. Mr. MOIR asked the Minister for Railways:

Has a decision been arrived at in connection with the Esperance Shire Council's request to have vested in that body the railway land on which the existing railway station, yard and link thereto are at present situated when it is no longer required by the department for its present purpose?

Mr. COURT replied:

Not yet; but this matter has been the subject of correspondence with the Esperance Shire Council and the council has been informed that its interest in the land has been recorded for consideration at the appropriate time.

RACING IN VICTORIA

T.A.B. Payments on Ace Banner and Radiant Pine

17. Mr. TONKIN asked the Minister for Police:

- (1) What amount of money was paid out to successful investors for a win and place respectively, by the T.A.B., on Ace Banner, winner of the Noonga Handicap (2) at Moonee Valley on Tuesday, the 4th April, 1961?
- (2) What amount of money was paid out to successful investors for a win and place, respectively, by the T.A.B., on Radiant Pine, winner of the Noonga Handicap (3) at Moonee Valley on Tuesday, 4th April, 1961?
- (3) Which agencies paid out money to successful investors on Ace Banner and Radiant Pine, respectively?
- (4) Is it possible that there were no successful investors on Ace Banner and/or Radiant Pine and the T.A.B. has kept money to which it has neither a moral nor legal claim?

Mr. CRAIG replied:

- (1) to (3). These records are no longer available.
- (4) Whilst it is possible that there were no successful investors on Ace Banner and/or Radiant Pine, it is highly improbable. In any case, the T.A.B. would not have kept money to which it had neither a moral nor legal claim.

COMMONWEALTH SCHOLARSHIPS

Results of Examinations

18. Mr. HEAL asked the Minister for Education:

Could he indicate when the results will be known of the recent examinations which were held for the Commonwealth scholarships?

Mr. LEWIS replied:

It is anticipated that the results will be known in early December.

LOCAL GOVERNMENT*Boundary of Kondinin and Yilgarn Shire Councils*

19. Mr. KELLY asked the Minister representing the Minister for Local Government:

- (1) Would he indicate the exact location of the present boundary between the shires of Kondinin and Yilgarn?
- (2) What total area was involved in the decision to exclude certain lands from the Yilgarn Shire Council and to grant same to the Kondinin Shire Council?

Mr. NALDER replied:

- (1) From a point of the No. 1 rabbit-proof fence situate in prolongation north-easterly to the south-eastern boundary of Roe Location 1232, and extending directly eastward to the boundary of the Dundas district this being on a point extending from Koorarawalywe Well, on the eastern railway and the 145-mile post on the No. 1 rabbit-proof fence.
- (2) 775,250 acres.

WATER SUPPLY AT EATON*Completion Date of Scheme*

20. Mr. I. W. MANNING asked the Minister for Water Supplies:

When is it anticipated the water supply scheme at Eaton will be completed and the water available to householders?

Mr. WILD replied:

Within the next two weeks.

ELECTRIC CABLES: GOVERNMENT PURCHASES*Government Contract with Cable Makers Aust. (W.A.) Pty. Ltd.*

21. Mr. GRAYDEN asked the Minister for Industrial Development:

- (1) Has the contract period for exclusive government use of electrical cables manufactured by Cable Makers Aust. (W.A.) Pty. Ltd. now expired?

Preference to Local Product

- (2) If so, will the Government continue to buy W.A.-made cable exclusively?
- (3) Will the Government continue to enforce the use of W.A.-made cables in government buildings erected by private contractors?

Purchase by Tender

- (4) Will cables not made in W.A. henceforth be purchased by public tender?

Mr. COURT replied:

- (1) Yes. It expired on the 1st November, 1964.
- (2) and (3) It is Government policy to give preference to locally produced goods and materials where they are of suitable quality and reasonable price. Wherever practicable Western Australian products are specified in Government contracts. This applies equally to cable.
- (4) Yes.

UNIVERSITY EDUCATION*Site of New Establishment*

22. Mr. HALL asked the Minister for Education:

- (1) Has the Government determined the site for the erection of a second university in W.A., and, if so, where will it be built?

Erection of University Colleges: Location

- (2) Has the Government made a final determination as to the erection of university colleges in this State and, if so, what towns have been selected?
- (3) If a final determination as to the erection of university colleges in this State has been made, where would the first college be built and when is it anticipated that the erection of such university college would commence?

Mr. LEWIS replied:

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

TEACHER TRAINING*Erection of College at Albany*

23. Mr. HALL asked the Minister for Education:

- (1) In view of the statement made by the Director of Education concerning the acute shortage of teacher training colleges and teacher trainee accommodation in the metropolitan area, would he give earnest consideration to the erection of a third teacher trainee college in Albany where the site is set aside for the purpose?

Centralisation of Training Facilities

- (2) Is it still the intention of the Government to pursue the policy of centralised State training education facilities?

Mr. LEWIS replied:

- (1) No, because the third college should be for the training of secondary school teachers and this must be near the University.
- (2) For the present, yes.

WOOL SCOURING*Jet Detergent Plant*

24. Mr. HALL asked the Minister for Industrial Development:

- (1) Can he advise of the recent developments and methods being used relevant to modern jet detergent wool scouring?
- (2) What is the approximate cost of such a plant and what are its advantages and disadvantages?
- (3) Is such a plant readily available in Australia?

Mr. COURT replied:

- (1) to (3) The Department of Industrial Development has a considerable amount of information on this process arising from research into the practicability of an industry for Albany.

In view of the honourable member's request for information about recent developments, the department has been requested to check with the C.S.I.R.O. to ascertain whether there are any later developments with this process beyond those known to the department, after which I will advise the honourable member.

INDUSTRIAL ARBITRATION ACT*Amendments to Overcome Legal Doubts*

25. Mr. DAVIES asked the Minister for Labour:

- (1) Has the Government received from any of its officers, or any source whatsoever, suggestions for amending the Industrial Arbitration Act to overcome doubts which have arisen regarding the legality of some procedures required by the Act?
- (2) If so, what action is proposed?
- (3) If not, will he ascertain from the certifying solicitor whether any amendments to the Act are considered necessary by that officer?

Mr. WILD replied:

- (1) Yes; the question of a small amendment to section 23 was raised by the certifying solicitor.
- (2) It is not proposed to amend the Industrial Arbitration Act during this session of Parliament.
- (3) Answered by (1) and (2).

HIGH SCHOOLS*Factors Governing Rise in Status*

26. Mr. D. G. MAY asked the Minister for Education:

What are the principal factors taken into consideration by the Department of Education when

determining justification for the increase in status of a three and four year high school in the metropolitan area?

Mr. LEWIS replied:

- (a) The position of the school in relation to serving other schools.
- (b) The retention rates of the school.
- (c) The availability of buildings and specialist staff for the senior section of the school.

RAILWAY LINES FROM YILGARN AREA*Sales to Farmers and Dealers, and Prices Charged*

27. Mr. KELLY asked the Minister for Railways:

- (1) What price was charged to farmers and other persons for railway lines from the Lake Brown-Bullfinch and Bullfinch-Southern Cross sections?
- (2) Were any rails sold to dealers and, if so, at what price?

Total Quantity Sold, and Value

- (3) What total quantity were sold?
- (4) What was the total value?

Mr. COURT replied:

- (1) £13 2s. 6d. per ton for straight rails, lifted and assembled at points along the line convenient for loading to vehicles.
- (2) Yes. All rails other than held for railway purposes or covered by (1) were sold with fishplates, points, and crossings at a flat rate of £8 per ton in position.
- (3) Total quantity under (1) and (2), rails, fishplates and points and crossings 5,993 tons, subject to possible minor adjustment.
- (4) The contract is not as yet complete but net value in position would be close to an average of £8 per ton overall.

PAINTERS' REGISTRATION BOARD*Tabling of Financial Statement and Report*

28. Mr. GRAHAM asked the Minister for Works:

Will he lay on the Table of the House a copy of the last financial statement and the last report of the proceedings of the Painters' Registration Board made to him?

Mr. WILD replied:

Yes, for one week.

TAXI LICENSE PLATES*Long-term Leases of Cars*

29. Mr. GRAHAM asked the Minister for Transport:

Respecting taxi operators who have entered into long-term leases of cars with taxi plates—

- (1) How many such cases have come under the notice of the Police Department or Taxi Control Board?

Number Seized and Forfeited

- (2) In how many cases as a consequence have taxi license plates been seized or forfeited?

Mr. CRAIG replied:

- (1) Four.
(2) Three.

30. and 31. *These questions were postponed.*

TRAFFIC AT WEST MIDLAND*Diversion via Chatham Street and Hazelmere*

32. Mr. BRADY asked the Minister for Railways:

- (1) Has any consideration been given to diverting vehicular traffic via Chatham Street and Hazelmere when the subway at West Midland is closed?

Survey of Vehicles

- (2) Has a survey of vehicles travelling south and east of the workshops been taken?

Vehicles Using New Bridge

- (3) What number of vehicles will proceed over the proposed new bridge over the railway?

Mr. COURT replied:

- (1) Not in detail up to the present, but examination of new Commonwealth census data relative to work force movement is now under consideration in the Main Roads Department. Due regard must be given to this data in considering any proposal for a river bridge on the Chatham Street alignment.
(2) Commonwealth census data available indicates that it would be of the order of 200 vehicles in the peak period.
(3) A recent assessment has not been made, but it will be the subject of further study. An approximate estimate based on 1959 surveys suggests of the order of 600 vehicles in the hour at peak.

QUESTIONS WITHOUT NOTICE**DARRYL BEAMISH CASE***Tabling of Papers*

1. Mr. HAWKE asked the Premier:

Has he yet made a decision regarding the question of laying upon the Table of the House certain papers in connection with the Darryl Beamish case?

Mr. BRAND replied:

Yesterday the Leader of the Opposition asked me under what conditions the information was conveyed to the solicitors of Darryl Beamish. I am advised that the information was conveyed without any reference to confidence, but it was conveyed to the solicitors on the understanding that they used it in any way they wished because they represent Beamish in this case.

On the other hand, I am still of the opinion that the information should not be made public, but if Beamish's solicitors care to make it public or advise the Leader of the Opposition—as it is, he is already aware of it—it is quite in order. However, I believe this is a matter for Beamish's solicitors who are acting for him in this case, and that is where the matter rests at the present time.

Mr. Graham: Impossible!

Mr. Hawke: God!

CALF IN KING'S PARK*Removal*

2. Mr. CORNELL asked the Minister for Transport:

- (1) Is he aware that the honourable member for Avon and the honourable member for Mt. Marshall, after leaving the precincts of this House last evening and the metaphorical bull associated therewith, nearly collected a physical specimen in the shape of a half-grown, well-conditioned, male bovine roaming in King's Park?
(2) Will he ensure that this will not be a little bull going a long way by having a search made in King's Park with a view to eliminating the aforesaid traffic hazard?

Mr. CRAIG replied:

- (1) and (2) If it is roaming in King's Park, it has been doing so without a license. We will endeavour to track it down to the satisfaction of the honourable member.

OIL SEARCH*Discovery at Yardarino*

3. Mr. TONKIN asked the Premier:

Has there been an important development in connection with the search for oil, and will he advise the House of the latest information which has been conveyed to him or to his Minister in connection with the matter?

Mr. BRAND replied:

I have been advised briefly that an oil find at Yardarino, in a very important part of Western Australia—near Dongara—was discovered this morning. It was a free flow of some 1,300 barrels of very high-grade oil without a great deal of gas. It would seem to me that this is one of the most significant developments in this field that has occurred in Australia.

RACING IN VICTORIA*T.A.B. Payments on Ace Banner and Radiant Pine*

4. Mr. TONKIN asked the Minister for Police:

(1) Is he aware that the information I sought by question this afternoon was sought by me several years ago and refused on the ground that to disclose it would be of assistance to off-course bookmakers?

(2) In view of the fact that the Government would not disclose the information then, is it reasonable that the records from which the information could be obtained should be destroyed, and therefore make it impossible for the information to be given to Parliament?

Mr. CRAIG replied:

(1) and (2) No; I am not aware that this question was raised by him some years ago. There was no question of withholding anything as far as I was concerned. I can assure the Deputy Leader of the Opposition and the House, that if the information is available I will convey it to him. What the reasons were behind the answer in the first instance when the question was asked, I do not know. I am assured the information is not available now, so I am not at liberty to make it available. However, if it does exist I can assure

the Deputy Leader of the Opposition and the House that I will obtain it and make it available to him.

5. Mr. TONKIN asked the Minister for Police:

If in view of the fact that the information was not given for the reason I have stated, will he now request that a further search be made in order to ascertain whether the books of the T.A.B. show that any payments whatever were made in connection with the winning tickets on either or both the horses mentioned; and if the books do not disclose that the payments were made will he indicate how it is possible to carry out a successful audit under the circumstances?

Mr. CRAIG replied:

I imagine the audit would have been made at the time, or for the year, that this incident occurred. Nevertheless, I will undertake to make the inquiry suggested by the Deputy Leader of the Opposition.

T.A.B. LOCKUP SHOPS*Removal of Form Guides, Newspapers, etc.*

6. Mr. KELLY asked the Minister for Police:

Has he the answer to the question I asked yesterday?

Mr. CRAIG replied:

Yes. I had delayed answering because I had not had an opportunity to make further inquiries. I had intended to write to the honourable member in amplification of what I have to say now.

The T.A.B. is at present experimenting in this regard—that is, in regard to the removal of reading matter from the agencies—and thought that such experiments should be conducted in the shops under its direct control.

It is the policy not to interfere unduly with shops run by agents and it was felt that until the experiment had been tried out in lockup shops it would not be imposed in agents' shops.

It might be added that newspapers are banned in the Eastern States.

I wish, nevertheless, to make further inquiries about the matter, and I will pass on the additional information to the honourable member.

GOVERNMENT EMPLOYEES (PROMOTIONS APPEAL BOARD) ACT AMENDMENT BILL

In Committee

Resumed from the 4th November. The Chairman of Committees (Mr. I. W. Manning) in the Chair; Mr. Wild (Minister for Labour) in charge of the Bill.

Clause 1: Short Title and Citation—

The CHAIRMAN: Progress was reported on clause 1.

Clause put and passed.

Clauses 2 to 8 put and passed.

Clause 9: Section 14 amended—

Mr. DAVIES: It appears that the amendment proposed is already in the Act, apart from the semicolon which will appear between the word "wages" and the word "but." Is this amendment necessary?

Mr. WILD: Yes. In 1963 the Act was amended, but it has not been proclaimed. When the present Bill is proclaimed, the 1960 amendment will also be proclaimed and the word "but" will come out, and then it will become sense. As it is, it does look odd.

Clause put and passed.

Clauses 10 to 13 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

MR. WILD (Dale—Minister for Labour) [2.45 p.m.]: I move—

That the Bill be now read a third time.

I wish to say to the honourable member for Victoria Park who last night said that, in the last 12 months, there had been no move made by the unions to which he made reference, that on looking at the file since 1958 I can say that I have not seen a more "bickerous" file—if there is such a word—than this; because from 1958 until to 1960 when an amending Bill came before the House and was subsequently passed, meeting after meeting took place between the unions of the teachers, the railway employees, and the civil servants, in an endeavour to come to some conclusion, but it was only in recent months that they finally decided they could not agree on certain points, and agreed to have a measure brought before the House.

That is the reason why, as the honourable member said, there has been nothing in writing from me in the last 12 months. It was simply because I, as Minister for Labour, was waiting for the four or five parties to reach agreement and bring it to me for presentation to the House.

MR. DAVIES (Victoria Park) [2.47 p.m.]: The Minister for Labour apparently misunderstood me yesterday evening when I said the matter contained in the Bill had not been considered by, or referred to, the Trades and Labour Council, the Railway Officers' Union, or the Amalgamated Society of Railway Employees, for at least 12 months.

I had a look at the files in the union offices this morning, and all of the bodies that I have referred to have said they have not been contacted in any way in relation to the particular matters contained in the Bill.

The only correspondence was from the Railway Officers' Union on one other matter in May of this year, and the Minister replied and said it was receiving attention; but that matter is not included in this Bill.

I want to make this perfectly straight: that irrespective of what has been said to the Minister I have searched the union files, the Trades and Labour Council files, and the files of the body known as the Trade Unions Industrial Council that existed before the Trades and Labour Council came into being, and there is nothing, since the 5th September, 1961, on those files or any record of any meeting covering any aspect of the matters contained in the Bill.

I defy the Minister to say that his department met, or had discussions since that date with, any of the bodies I have mentioned; and each of the secretaries concerned has supplied me with statements confirming the correctness of what I say. Also, the Railway Officers' Union last night, while we were debating the matter in this House, had its regular meeting, and it has written to the Minister today taking exception to the claim he made that the bodies which would be vitally concerned with the Bill had been consulted by his department.

The Minister did not like me making these assertions yesterday evening, and I did not like him doubting my word or integrity, and I made it my business this morning to check to see that what I said was absolutely correct; and I defy the Minister to say otherwise.

Mr. Wild: I do say otherwise, and I will continue to say so.

Mr. Hawke: Of course, the Minister will say anything!

Mr. DAVIES: Produce the evidence!

Mr. Wild: Come down to my office and have a look at the file.

Mr. DAVIES: I will come down at this very minute. The Minister will not be able to prove it. Enough of this bluff and nonsense! Let us keep politics on a reasonably decent level. This is not a matter on which any government is going

to rise or fall; but surely from a Minister we can expect the truth; and it is not the truth we are being given on this occasion.

Mr. Wild: All you do is get up in your seat and make assertions that you cannot prove.

Mr. DAVIES: I have the proof here and the Minister has not brought any proof into this House.

The SPEAKER (Mr. Hearman): Order! The honourable member must address the Chair.

Mr. Oldfield: I wonder if the Minister will behave like this when he goes to London!

Mr. DAVIES: I have the proof to back up my argument here but the Minister has not brought any proof into this House to back up his argument.

Mr. Hawke: Hang him!

Mr. Oldfield: The Minister is blushing now.

Mr. Court: That will be the day when Gerry blushes!

Mr. DAVIES: The speed with which the Government moved in bringing these amendments forward was not as great as the speed with which the Chairman of Committees dealt with the various clauses when he was going through the Bill; and because I was considering the Minister's reply to my question on part of clause 9, that clause was put before I had the opportunity to ask the Minister the answer to a question I raised last night on another part of clause 9. That question related to the definition applied to the rate of salary which the Bill defines. As I read the measure, when seniority is being considered the rate of salary means the total remuneration less allowances, less the basic wage which, as far as I can see, leaves only the margin of the individual concerned.

This, apparently, is the manner by which the salary, when defining seniority, is to be established. I would like the Minister to tell me if this is so, and I would also like him to answer the other part of the query I raised; namely, why is "salary" defined in this way, and not "wages"? I would like to know the reason for that.

Mr. Wild: The reason was that that was one of the points upon which they could not agree. Therefore it was preferable to put that in as salary. They could not agree on what the wages interpretation would be.

Mr. DAVIES: Now that the Minister has been able to answer that, it allows me to continue with the other part of the question, which is: Why is "Wages" not defined in this way? I have been given to understand that the reason for introducing this amendment was the determination in a case over a leading hand employed by the State Electricity Commission. This

employee was on a special allowance and the chairman of the board included this allowance as part of his wages which gave him seniority over the other appellants. That referred particularly to a wages case, and the employee was one of those who is classified by the State Electricity Commission as a wages employee.

It appears that whilst a great deal of trouble has been taken to define what "salary" means, the same amount of trouble has not been taken to define what "wages" means, despite the fact that the amendment has been brought down because of a situation which arose in a wages case.

Mr. Wild: All I can tell the honourable member is that further inquiry this morning indicated that it was deliberately left out because they could not come to any agreement on the definition of "salary"; and the present position, as is indicated in the Bill, is that seniority will be defined by the margin.

Mr. DAVIES: The explanation given by the Minister is, of course, totally unsatisfactory as far as I am concerned, and I imagine that if they define the rate of remuneration a Government employee will get for seniority purposes, that definition must apply to both salary and wages employees, because there has been no difficulty in defining the rate of salary in the past; there has been difficulty only in defining the rate of wages. Therefore, on these grounds, I intend to oppose the third reading of the Bill, because it appears this clause has been included without proper consideration. It is a matter which was not discussed at a meeting on the 5th September, 1961, according to my reading of the minutes, and I consider that if it is necessary to define "salary" for seniority purposes, surely it must be necessary to define "wages" for the same reason.

The only other item upon which I would like the Minister's comment, is the third and last query that I raised yesterday evening. This was: Why was it necessary to delete from section 17 of the Act the words, "under the Industrial Arbitration Act, 1912-1941", rather than add the words "the Commonwealth Conciliation and Arbitration Act, 1904-1950" and, in addition, leave section 17 of the principal Act as it is at present? Was the Minister able to obtain an answer to that query?

Mr. Wild: Yes, because if we added the words which you have suggested it would exclude the Railways Classification Board.

Mr. DAVIES: Very well. I thank the Minister for his explanation; but, as I say, I consider that the amendment to section 14, defining salary in relation to seniority, is going only half way. I have no objection to its being included; but because it does not go all the way and does not meet the position that has been

found to exist and which definitely needs attention, I oppose the third reading of the Bill.

Question put and passed.

Bill read a third time and transmitted to the Council.

USED CAR DEALERS BILL

Council's Amendments

Amendments made by the Council now considered.

In Committee

The Chairman of Committees (Mr. I. W. Manning) in the Chair; Mr. Craig (Minister for Police) in charge of the Bill.

The CHAIRMAN: Amendment No. 1 made by the Council is as follows:—

No. 1.

Clause 3, page 3—Insert after the interpretation, "sell", the following interpretation:—

"traffic inspector" means a traffic inspector appointed under the Traffic Act, 1919, or under any Act enacted in substitution for that Act.

Mr. CRAIG: I agree with all the amendments made by the Legislative Council, and I trust the Committee will agree with them also. When the Bill was passing through this Chamber the honourable member for Warren drew attention to the fact that the powers to be given to the police in regard to the inspection of vehicles should also be given to country traffic inspectors. Because it is appreciated that there are many used-car dealers operating outside the metropolitan area, I gave an undertaking that, as a result of his representations, the necessary amendments would be made in another place. In consequence of this, a number of these amendments include the words "or a traffic inspector." Therefore I move—

That amendment No. 1 made by the Council be agreed to.

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

The CHAIRMAN (Mr. I. W. Manning): Amendments Nos. 2, 3, and 4 made by the Council are as follows:—

No. 2.

Clause 22, page 12, line 29—Insert after the section number "22.", the subsection designation "(1)".

No. 3.

Clause 22, page 12, line 30—Insert, immediately after the word, "Force", the words "or a traffic inspector".

No. 4.

Clause 22, page 12, lines 35 and 37—Insert, immediately after the word "Force", the words "or the traffic inspector", in each case.

Mr. CRAIG: The explanation I have given in regard to Council's amendment No. 1 applies also to amendments 2, 3, and 4, and I move—

That amendments Nos. 2, 3, and 4 made by the Council be agreed to.

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

The CHAIRMAN (Mr. I. W. Manning): Amendment No. 5 made by the Council is as follows:—

No. 5.

Clause 22, page 12—Add a subclause to stand as subclause (2) as follows:—

(2) Notwithstanding the provisions of any other Act, a person may drive an unlicensed motor vehicle on a road, for the purposes of this section, if a tablet prescribed by, and issued by the Commissioner in accordance with, the regulations is affixed to the vehicle.

Mr. CRAIG: This is for the purpose of covering a vehicle with insurance, particularly third party insurance. It refers, of course, to the unlicensed vehicle that is taken on the road for testing. I move—

That amendment No. 5 made by the Council be agreed to.

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

The CHAIRMAN: Amendments Nos. 6 and 7 made by the Council are as follows:—

No. 6.

Clause 23, page 13, line 2—Insert after the word "Force", the words "or traffic inspector".

No. 7.

Clause 23, page 13, line 20—Insert after the word "Force", the words "or a traffic inspector".

Mr. CRAIG: These again deal with the inclusion of traffic inspector, and I move—

That amendments Nos. 6 and 7 made by the Council be agreed to.

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

The CHAIRMAN: Amendment No. 8 made by the Council is as follows:—

No. 8.

Clause 24, page 13, line 33—Insert, immediately after the word "twenty-three", the passage " , until the notice has been removed, as provided in subsection (1) of that section".

Mr. CRAIG: This amendment is more or less consequential and I move—

That amendment No. 8 made by the Council be agreed to.

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

The CHAIRMAN: Amendment No. 9 made by the Council is as follows:—

No. 9.

Clause 28, page 14, line 28—Insert, immediately after the word "Force", the words "or a traffic inspector".

Mr. CRAIG: Amendment No. 9 is the final inclusion of the traffic inspector, and I move—

That amendment No. 9 made by the Council be agreed to.

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

Report

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

FERTILISERS: COST OF PRODUCTION AND PRICE INCREASE

Inquiry by Select Committee: Motion Defeated

Debate resumed, from the 9th September, on the following motion by Mr. Moir:—

That a Select Committee be appointed to inquire into and report upon the cost of purchase and processing of all the components of the various types of fertilisers used in this State's Agricultural Industry; and also to inquire into the recent steep increases of prices to the consumers of all types of fertilisers; and to make recommendations accordingly.

MR. NALDER (Katanning—Minister for Agriculture) [3.3 p.m.]: I am sure that every honourable member in this House knows the advantage of superphosphate to agriculture in this State, especially in the South-West Land Division. It is also of great importance at the moment in the north where agriculture is being developed on the Ord River.

Fertilisers generally—that is, super and trace elements—will play an ever-important role in the increased development of agriculture and agricultural production in Western Australia. I think I could go so far as to say that, if it were not for super, agriculture would certainly not be in the position that it is today. It is absolutely necessary for the successful conduct of agricultural pursuits, and super is one of the principal commodities which help to make a success of any venture in connection with agriculture.

I could go into some detail and mention how rapidly super has increased production. We only have to look at the quantities of fertilisers used over the last few years to see that that is so. Since the war, in 1947—to take a year—approximately 250,000 tons of fertiliser were

used in Western Australia. This was used on approximately 14,000,000 acres; perhaps not quite that much, but approximately that area. That figure has increased until today, in the last season, something like 850,000 tons of fertiliser were used. Had it been a normal year it is possible the quantity used would have reached the 1,000,000-ton mark. I would estimate that could possibly be the position in the coming season.

With the huge areas of land that are being developed, the importance of super can readily be understood by everybody who has any interest in this particular section of industry; and one can see how any rise in price will affect the primary producer, thus ultimately affecting the cost of production of the various commodities derived from the land. For argument's sake let us consider the question of grains. We would then see how important this matter is to Western Australia. Let us consider the growing of wheat and barley as a further example to place emphasis on this fact.

We also know how important the use of fertiliser is in the grazing industry. If it were not for the application of super on our grazing lands, our carrying capacity would certainly be reduced considerably. So I think the emphasis can be placed very much to the point on the importance of the cost structure of super to the agricultural industry in Western Australia. It is quite natural that when farmers hear of a rise in this very important commodity they become concerned, because they know how quickly a rise in the price of super shows an increase in the cost of production. It is for this reason that farmers generally are concerned as to how and why an increase in price will affect, firstly, the cost of the super; and, secondly, the cost of production itself.

It is quite natural that farmers should try to obtain all the information they can in this connection. Farmers of today do not accept all they are told without making inquiries to see whether their information is correct. They like to be satisfied that the details are correct and satisfactory from their point of view; and they want evidence to prove that these increased costs have been brought about by the increased price of a commodity, say, overseas, or in the landed cost here; whether this be by an increase in the wages, transport costs, or any other costs that may be relevant. It is necessary for the farmer to know the details and the reason why these costs have been added to this particular commodity.

The Farmers' Union in Western Australia represents a very large section of the farmers in the South-West Land Division, and I understand, from the information made available through the *Farmers' Weekly*, that it has made a number of inquiries to satisfy itself

that the information made available was genuine, and that publicity was given to the facts received from that inquiry.

Another interesting point is that quite a large number of farmers are members of Cuming Smith and Mount Lyell—or, as it is now known, C.S. and B.P. Farmers Ltd. Approximately 6,000 are members of this company. With that percentage of farmers as shareholders they would certainly be interested to see that any increased costs of the commodity in question were justified.

I would think, because of that number—approximately 30 per cent. of the total number of people who purchase superphosphate—they would definitely keep on the heels of their directors to make sure any information made public was correct; and that every item in detail which was added to increase the cost was completely justified.

Mr. Rowberry: Do the shareholders get a rebate in price?

Mr. NALDER: I understand that in the last two or three years shareholders have received a rebate on the quantity of superphosphate they have purchased. I understand it is on a per ton basis.

Mr. Rowberry: That would put them in a more advantageous position than the ordinary person.

Mr. NALDER: It would mean that any farmer who liked could become a shareholder. I understand shares are available to any farmer who purchases superphosphate through the company and that the shares are not restricted in any way. I understand that if one purchases superphosphate one can become a shareholder of the company. So I think the point the honourable member wishes to emphasise is not a very strong one, inasmuch as the shareholding is open to any farmer who purchases superphosphate from the company. I would like to give the House some details of the figures involved.

Mr. Cornell: Can you buy these shares at par?

Mr. NALDER: I could not say. The honourable member may know whether one can or not, but I have not been purchasing superphosphate during the last two or three years, so I am a bit out of touch. I would be doubtful if shares are for sale at par. Perhaps the companies could answer that question for the honourable member for Mt. Marshall.

I did say that in answer to quite a number of questions throughout the session some detail has already been given to the House, but on this occasion I would like to give the reasons for the increase; firstly, in regard to the cost of superphosphate, and then in detail in regard to the trace elements that are added to the various superphosphate mixtures.

In so far as superphosphate is concerned, the price of phosphate rock has risen by 13s. 6d. per ton. This is equivalent to 8s. 6d. per ton of superphosphate and this increase, together with a higher price for sulphur, which is used to make the sulphuric acid needed in manufacturing, warrants the total rise of 9s. per ton. That is the figure that was announced at the commencement of business for the 1964-65 season.

Prices for copper sulphate and zinc oxide have been rising steadily for some months and recent figures obtained indicated that they were respectively £50 per ton and £47 per ton dearer than 12 months ago. The prices for copper and zinc metal are always subject to fluctuation, but honourable members will be aware that their prices rise sharply in times of international tension.

This situation is, of course, the result of stockpiling of materials by many countries; and only recently in a newspaper report it was noted that a suggestion had been made that export of scrap copper should be restricted. It might be wondered why reserves of important materials such as copper sulphate are not on hand. I have no doubt there were some stocks on hand; and that is one of the reasons why the increased price of copper in a ton of superphosphate mixtures is 28s. instead of 42s., which would be justified by the present price.

Let me point out that to stockpile copper sulphate to the extent of 1,000 units of copper—less than the amount now used in fertilisers—would require 4,000 tons of copper sulphate, which at present prices would be worth about £600,000. Even the manufacturers of copper sulphate do little stockpiling; they manufacture in accordance with orders already received.

Honourable members might also wonder why more copper ore cannot be used. The fertiliser companies will take all the ore of suitable grade which is available; but because the naturally occurring deposits of high-grade ore have already been used, further supplies can only be obtained by upgrading where the deposits occur. There were great expectations from an overseas company operating on this basis at Whim Creek, but it soon ceased to operate, having supplied little ore. From those still supplying ore, only about 10 per cent. of the State's requirements can be anticipated with confidence.

I am sure that every honourable member here would wish that if it were possible to find further supplies of copper ore in Western Australia, it would be made available to fertiliser users in this State. However, I would suggest that the world price for copper would influence the price in Western Australia and we could not argue on that basis. The producers would be entitled to receive world prices for the ore that was mined in Western Australia.

Zinc oxide is important and all that can be added is that recent advice indicated that a further price increase of £14 per ton had occurred. The price of molybdenum trioxide has increased by 9s. per lb. which is equivalent to 13s. 6d. per ton of molybdenum superphosphate. However, for various reasons, including reserves, the fertiliser companies have been able to keep the increased cost down to 8s. 6d. per ton.

With respect to this material, and further to my comments about recently developing shortages, it is worthy of note that until recently it was doubtful whether our requirements could be procured even at this increased price.

Perhaps some mention should be made of nitrogen fertilisers. A few years ago many new nitrogen plants in various countries began additional production and over-production occurred. Prices for nitrogen fertilisers—particularly urea—fell, due to price cutting, and we obtained some benefit. Demand has now caught up with supply and prices have risen from £10 to £12 per ton. Because of stocks on hand, fertiliser companies have been able to keep their price increases to £6 by averaging old prices with the new ones.

Enough has been said to show that the price increases for superphosphate, superphosphate mixtures, and other fertilisers, have occurred because the materials used have risen in price. In the manufacture of superphosphate it is a fact that at least 65 per cent. of the price is determined by the cost of materials; and this percentage is higher for mixed fertilisers.

It should be remembered that as ingredients became less expensive, superphosphate prices—and I refer to prices in bags—decreased from £15 18s. per ton in 1952 to £14 per ton in 1956; and to £11 15s. per ton in 1963. The last drop in price not only included the benefit of lower costs of materials but also cheaper manufacturing costs due to increased output, which I mentioned earlier.

Because of these reasons, and without delaying the House any further, I believe we have concrete evidence that the increased prices that have already been announced are quite justified and I cannot see for the life of me that a Select Committee comprising honourable members of this House could find out any more information than we already have.

Mr. Moir: You haven't given us much information here.

Mr. NALDER: The companies have been very co-operative. We have sought other information from importers outside the phosphate companies, and the figures produced satisfy us that the increased cost price which was made public at the beginning of the year was a genuine increase.

We appreciate the importance of keeping the price of fertiliser down as low as possible. I think the Commonwealth

Government appreciated that position when it made a subsidy available last year. This increase will be reflected in increased production. In view of the evidence, I cannot see the value of having an inquiry. Honourable members could refer back to several inquiries which have been held, and in connection with which reports are available. Those reports indicate that there was not any justification for those inquiries. I cannot see any valid reason for having an inquiry in connection with this matter, and I intend to oppose the motion.

MR. KELLY (Merredin-Yilgarn) [3.22 p.m.]: I should open by commenting on the poor showing given by the Minister in maintaining that there should not be a Select Committee or a Royal Commission into the superphosphate position in Western Australia. His line of argument was not in any way designed to allay the doubts and suspicions in the minds of eight out of 10 phosphate users. Indeed, it would strengthen the need for having a Select Committee or Royal Commission.

The Minister said that there are roughly 6,000 farmers who are shareholders in Cuming Smith. That might be so; but in the agricultural industry there are over twice that number of farmers, and probably three times that number. In addition, there are hundreds of other people using superphosphate for grazing purposes, where no grain is produced, and for gardening purposes; and it is being used in many other spheres of rural production. There are many people who are definitely not members of this organisation.

Those who are members would naturally not be very concerned about anything in the way of an inquiry. As a matter of fact, they would not want an inquiry. That would be the last thing which would be considered suitable in their own interests. It would not coincide with their views. When we look into the matter a little deeper we find that shareholders are not only getting a reasonable rebate but are also subject to dividends as they fall due. Naturally that would bring the cost of superphosphate down very considerably from their point of view and would enable them to purchase it at a very much better price than other persons who are using superphosphate in very large quantities.

The Minister explained that he was a little out of touch with the industry. I think he is a long way out of touch with the industry, in view of what he said.

Mr. Nalder: Not with the industry; with the purchasing of shares at par. It was mentioned by the honourable member for Mt. Marshall.

Mr. KELLY: The Minister said he was a little bit out of touch. I agree with him, although I think he is a good deal out of touch.

Mr. Nalder: We will hear how far in touch you are.

Mr. KELLY: The Minister quoted figures in connection with the last price rise. We are not interested in the immediate past. There could have been some justification for that rise, because the superphosphate affected was a superphosphate mixture. This motion deals with the quantity of superphosphate which is used in the majority of cases. A tremendous amount of straightout superphosphate, without any additives, is used. The Minister has not attempted to make any case in defence of the price increases.

Mr. Nalder: Apparently you were not listening.

Mr. KELLY: I listened carefully to every word the Minister uttered. At no stage did he justify the present price of superphosphate, even without additives—and that is a very important point. Undoubtedly additives have fluctuated over the years and stockpiles were accumulated during periods when there was a glut and copper was available at give-away prices. Those were the periods when stockpiles were accumulated, and not when the additives were high-priced.

We are now reaching the stage where copper stocks are beginning to diminish. We know what happened when this State was producing a reasonable amount of copper. The producers received very little for their product. The price to the average person producing the copper was very low. So the Minister's defence of his attitude toward the cost of superphosphate bears very little relationship to the actual position.

It would not be very hard for nine out of 10 honourable members to support an inquiry into the superphosphate position. There is every reason and justification why we should know more about the present cost structure and how it has applied over a period of time. Over the years superphosphate has increased almost four times as much as it was 20 years ago. Most costs have advanced. We are not disputing that. We are saying that there is ample room for even a minute inquiry into the cost structure of superphosphate in all its grades.

The Minister mentioned the colossal figures associated with the use of superphosphate. Undoubtedly the amount used is very much higher. There are a greater number of consumers, and modern science has developed modern techniques which make it possible and necessary to use more superphosphate than was used even a few years ago. We are not disputing that. However, in my opinion the price rises have been too severe. They have been severe at almost every stage during the last decade. I do not say that it has occurred overnight, and I do not say it is the Minister's fault. But I am at a loss to know

why he wants to defend a section of the community which is undoubtedly getting the biggest end of the stick, so far as primary producers are concerned.

I cannot recall at any stage an examination of any type being made into the cost structure of superphosphate. The companies operating in this State have just said that the price was to be so and so and that was all there was to it. When the price reached astronomical proportions, as it did several years ago, it was the Commonwealth Government which had to come to the aid of primary producers and give them a subsidy. It was at that stage the first shot should have been fired in the way of inquiring into the general cost of this commodity which, as the Minister said a moment ago, is being used to a greater extent than ever before.

But no; we find that all the costs that have been loaded on to this commodity have been loaded without a word of comment from any section. The Government did nothing about it. Certainly the Farmers' Union made inquiries; but what could it do without someone in authority giving it a helping hand? It could do very little. Not one inquiry was started by the Government; but if an investigation had been made it would have disclosed the magnitude of the rise in prices over the years.

I think the superphosphate companies are in the same position as the cement people in Western Australia. They have a complete monopoly over the manufacture of their product; and at one stage, in regard to the cement people, we heard a lot of controversy about collusion. I think that with the superphosphate companies we are suffering from a combination of all those aspects and on those grounds alone there is need for an inquiry. Although there are a number of superphosphate firms in this State there is no variation in the prices of their products. They have all agreed on a definite price for each and every grade and kind of super they produce, whether it be straightout superphosphate or whether it is mixed with additives such as zinc, copper, molybdenum, or anything else.

All brands of superphosphate are sold at exactly the same price notwithstanding that the source of supply of some of the additives and the source of supply of some of the bulk ingredients of superphosphate vary and they come from different countries with different freight rates and different costs at the source. One can get a list showing the retail price of superphosphate from each of the companies concerned and all the charges are the same to a penny. So I say that is a complete monopoly and the Minister ought to be pleased to have an investigation into that state of affairs so that we can get to the bottom of the whole business and see where our primary producers are losing out.

The Minister knows quite well that there is a lot of discontent about the price of superphosphate. He mentioned the great strides that are being made with the use of superphosphate and the excellent results that are being achieved. Of course these results are being achieved; but while we are able to sell our wheat at a fairly reasonable figure, and whilst the market price for wool remains fairly stable, the shoe does not pinch so much. But let us have a recession in the price of either of those commodities and it will not be long before the shoe will pinch sufficiently to make the people wearing it howl very loudly. Surely the Minister must realise that.

I am convinced that the increase in prices that has taken place over the last five to 10 years could have been shaded down very greatly, and there is no need for our primary producers to pay the high prices they are forced to pay for this commodity. There is no doubt at all that the demand for superphosphate, whether with or without additives, will increase greatly over the next few years. As the years go by more and more areas will be opened up and brought under production and, as a consequence, the use of superphosphate will be greatly increased. Because of that, now is the time we should be inquiring into just how much more the primary industry can stand in the way of increased costs for this product.

I think the cost for superphosphate will have to be reduced to a more realistic figure if the primary producers of this country are to be given a reasonable chance of survival. There are several categories of primary producers whose futures are at stake. There is the young person and the middle-aged person who are going on to a farming property for the first time. They have to face up to astronomical costs to bring land under production and they have to use a considerable amount of superphosphate. This is a great charge against them right from the beginning. Also, many farmers who have been struggling for a period of years are still not out of the wood by any means and are feeling the pinch, particularly when they have to buy various types of machinery and large quantities of superphosphate.

Those two categories of farmers must find things very difficult and it will become increasingly difficult as time goes on for them to make ends meet. Farmers who are well established and have their land all cleared, and who have purchased all their machinery are probably in a much better position to pay these high costs. They may not be very interested in a full examination being conducted into the price structure of superphosphate. However, I believe it is necessary to pass the motion, and I could not for one minute imagine a primary producers' representative in this House saying that this was not an urgent matter.

Even if one is a shareholder of one or other of the superphosphate companies it should not influence one to any great degree, and one ought to string along and vote for this motion so that an inquiry can be held into the whole cost structure of the production of superphosphate. I hope the motion will be passed and that a close examination will take place because there is a great need for an inquiry to be conducted, and conducted very soon.

MR. SEWELL (Geraldton) [3.39 p.m.]: I rise to support the motion which has been moved by the honourable member for Boulder-Eyre. I hope it will be carried and that a Select Committee will be appointed to inquire into the costs and increased prices of superphosphate. Firstly, I support the remarks and the points of view put forward by those who have spoken in favour of the motion. I think there are many people in this State, including some of our prominent so-called businessmen, who do not realise just how important superphosphate is to primary production. At the moment primary industry is the main breadwinner of this State.

We hear from time to time of the amount of new land which has been opened up by the present Government. Those of us who know the land realise that all of it would be worthless without the application of superphosphate. Within the last 50 years, as a result of the scientific knowledge which has been gained by the manufacturers of superphosphate, more grass, cereals, and pastures have been grown on land which, previously, could hardly carry a goat to 10 acres. The improvement has been achieved mainly through the addition of trace elements. We all know that some soils in the State are lacking in trace elements, and these have to be included in the superphosphate.

I ask the Government and the people of the State not to look upon the production of superphosphate and the wealth derived from the land by its use as our rights. I cannot understand why this Government, which is made up of many farmers and pastoralists, should consider even for one moment opposing the motion. In my district I have been able to judge the amount of cereals grown each year by the amount of superphosphate sent out from the works in Geraldton. Regardless of what might happen in other centres, the management and staff of the superphosphate works at Geraldton do a very good job, and remarkable progress has been made over the years.

I venture to suggest that if the various types of superphosphate are kept within the pocket-range of the producers, then in the next 20 years the factory at Geraldton will see the same growth as it has experienced in the past 20 years. Regarding tomato growing, the producers

are being hampered and crippled with increasing costs which they cannot pass on. The increased price of superphosphate is one of the added costs; and the other is the cost of sprays for destroying the insects which affect the tomato plants. This small industry of tomato growing will be extinct in a few years' time if the costs keep on rising. I commend the honourable member for Boulder-Eyre for introducing this motion. I cannot understand how any member of the Government could oppose it, because its acceptance could do nothing else but good for the State of Western Australia.

MR. GAYFER (Avon) [3.43 p.m.]: In order to satisfy myself that possibly the correct thing to do is to oppose the motion for the appointment of a Select Committee moved by the honourable member for Boulder-Eyre, I have personally undertaken a great deal of research into this matter, and I have not relied on the notes given to me by any one person.

I regard the motion as comprising two parts. The first is that a Select Committee be appointed to inquire into and report upon the cost of purchase and processing of all the components of the various types of fertilisers used in this State's agricultural industry. In the second part of the motion the honourable member has moved for the Select Committee to also inquire into the recent steep increases of prices to the purchasers of all types of fertilisers.

I shall deal firstly with the second part of the motion, relating to the price of superphosphate. The Minister for Agriculture informed us that the recent rise of 9s. a ton in the price of superphosphate was the direct result of the increase of 13s. 6d. a ton imposed by the British Phosphates Commission on the price of rock phosphate, as at the 1st July last. I refer to a letter which the Minister for Agriculture forwarded to the honourable member for Mt. Marshall on the 23rd September, 1964.

Sitting suspended from 3.45 to 4.7 p.m.

Mr. GAYFER: Before the afternoon tea suspension I was about to quote from a letter to the honourable member for Mt. Marshall from the Minister for Agriculture, dated the 23rd September, 1964. I will now read that portion of it which concerns super, the subject under discussion at present. It says—

Superphosphate is made by treating ground phosphate rock with sulphuric acid. The objective is to convert the phosphorus compounds in the rock into forms which are more readily available for use as a phosphate source by crops and pastures. A dry free-running product is desirable so that it can be handled and drilled or broadcast without difficulty.

Since the War most of the phosphate rock used in W.A. has come from Christmas Island in the Indian Ocean and until the last year or two very little rock from Nauru and Ocean Islands has been available. It is more difficult to manufacture superphosphate from Christmas Island rock than from the Nauru rock because of the minor constituents of the rock, particularly iron and aluminium compounds, which produce sticky compounds if the acid used for the super manufacture is not very carefully controlled.

I will digress for a moment to add that it is because of this sticky substance that the Victorian product is known to set more readily in a stack than does the West Australian fertiliser. As a matter of fact, when it is stored for even very short periods, the fertiliser has to be gellignited or ripped apart with a front-end bulldozer with a rake-like attachment. It is not a very desirable type of superphosphate, particularly for Western Australians who store their fertiliser in bags in sheds over a fairly long period. The letter continues—

Super manufacturers in W.A. have been able to produce a product of satisfactory physical quality from Christmas Island rock and which is guaranteed to contain 17% water soluble . . .

It then goes on with technical data concerning the exact components used in the make-up of the Western Australian superphosphate, which is a desirable product and one about which I have heard no real complaints.

Mr. Rowberry interjected.

Mr. GAYFER: That may be so, but the quality of the product is under discussion right now. I will now deal with some questions which the honourable member for Mt. Marshall asked on Tuesday, the 6th October, as follows:—

- (1) Approximately in each instance what quantities of phosphate rock from the following sources of supply—

Nauru and Ocean Island;
Christmas Island;
Florida;
North Africa;

is required to produce one ton of plain superphosphate?

- (2) What are the fertilisers ammonium polyphosphate and calcium polyphosphate, and have experiments into their usage been carried out in Western Australia?

The Minister replied—

- (1) No information is available locally for phosphate rock from Florida or North Africa as no rock from these sources is at present being used in Western Australia.

No information is available specifically relating to Christmas Island rock or Nauru and Ocean Island rock used alone because mixed ground phosphate rock is generally used. One ton of plain superphosphate is produced from 0.63 tons of mixed phosphate rock. This is based on the best use of sulphuric acid on the types of rock available to give approximately the same "available" P_2O_5 as in the other States of Australia. Approximately the same figure would be expected to apply to high grade phosphate rock (36.5 per cent. P_2O_5) from various sources listed in the question.

- (2) In 1958, the Tennessee Valley Authority produced trial quantities of a concentrated phosphoric acid called superphosphoric acid. This acid contains 76 per cent. P_2O_5 compared with a maximum of approximately 54 per cent. P_2O_5 for normal phosphoric acid. Superphosphoric acid is being produced commercially in the United States at present.

Ammonium polyphosphate is produced commercially by ammoniation of superphosphoric acid. It is very suitable for the production of high analysis liquid fertilisers. No reference has been found to the commercial production of calcium polyphosphate as such for fertiliser. Concentrated superphosphate has, however, been made by acidulation of rock phosphate with superphosphoric acid. The product contains 54 per cent. P_2O_5 compared with 46 per cent. P_2O_5 in concentrated superphosphate produced from normal phosphoric acid. This would contain some calcium polyphosphates. The material has good physical and storage properties.

No experimental work is being undertaken with ammonium polyphosphate or high analysis concentrated superphosphate in Western Australia. However, American work shows that the polyphosphates are as available to plants as the orthophosphates found in normal phosphate fertilisers. They would, therefore, be a suitable source of phosphate should they become commercially available in Western Australia at competitive prices.

Mr. Hawke: That's the point!

Mr. GAYFER: Out of all that chemical jargon I just read, the last few lines are the important ones, and for this reason I will repeat them as follows:—

They would, therefore, be a suitable source of phosphate should they become commercially available in Western Australia at competitive prices.

Therefore the whole subject is based on competition. I do not think there is any argument on either side of the House on that point.

However, no competition exists when the phosphate rocks themselves are available from four islands from which we get delivery in Western Australia, and the prices of which are set by the British Phosphate Commission. It is perhaps not only Western Australia that is suffering because of the increase of 13s. 6d. a ton placed on phosphate rock by the commission. It is the whole of Australia.

I shall quote now from *The West Australian*. Unfortunately I cannot give the date of the article, but under the heading "State Prices of Bulk Super Compared" it states—

W.A. farmers pay less for bulk superphosphate than their counterparts in N.S.W., S.A. and Tasmania but more than Victorian farmers pay.

A comparison made yesterday of superphosphate prices in each of these States showed that bulk superphosphate cost £7 6s. a ton in W.A.; £10 11s. a ton in S.A.; £8 3s. 6d. a ton in N.S.W., and £10 2s. 6d. a ton in Tasmania after the Commonwealth subsidy of £3 a ton had been deducted.

The price of bulk super in S.A. was reduced by 12s. a ton in 1963 to the current prices. In Victoria the last price rise was 6s. in 1961.

Tasmanian farmers have been hit hardest by super price increases. Last year the rise was 18s. and this year 17s. a ton.

Super prices went up by 17s. a ton in N.S.W. early this year but after Federal Government intervention the rise was reduced to 13s. 6d.

In W.A. the cost of bulk super increased by 9s. a ton to £7 6s. on August 1. This price is subject to a rebate of 5s. a ton if payment is made before delivery.

That is what applied before. To continue—

Early delivery rebates are made on a scale of 16s. for September and October; 12s. for November; 8s. for December and 4s. for January.

Cost increases for super resulted from an Australia wide rise of 13s. 6d. a ton for phosphate rock and added costs for labour and sulphur.

The W.A. Farmers' Union has not met yet to discuss the price rise in this State.

I have read that article to show honourable members that, generally, the overseas price of phosphate rock has caused an increase in price in all States. Not only Western Australia, with its present Government, but also Tasmania, where I understand there is a Labor majority, has not been able to do anything about the position; and neither has the New South Wales Government, which is also a Labor Government. So I cannot see that the fact that the price has gone up is anything derogatory to this State as compared with the other States.

I shall deal now with that part of the speech made by the Minister for Agriculture when he said that super prices had dropped from £15 18s. a ton in 1952 to £11 15s. a ton on the 1st September, 1963. Admittedly the volume of throughput through the works is responsible for the reduction of 11s. 6d. made on the 30th August last year. There is nothing at all to lead us to suppose that extra throughput in production through the works in Western Australia could not also further reduce the price of superphosphate next year.

This added cost, in my opinion, is something of a world nature and affects all the States in Australia, and it is necessary that it be absorbed by the company in the overall cost of superphosphate when the company is formulating its price structure.

The honourable member for Merredin-Yilgarn said that for many years there had been superphosphate increases, and I think he mentioned that it had gone up in price four times in the last 25 years. That, on the basis of everything else, does not seem as extortionate as one might at first think. However, the honourable member did say that no inquiries have been made into these increases.

Mr. Kelly: No inquiries on the basis of the one we now suggest.

Mr. GAYFER: I do not know about that. During the tea break I looked into this question and I found that there is the report, which I had read previously, of the superphosphate inquiry committee in 1953. I understand that this committee of inquiry was set up by The Hon. A. F. Watts who was then, I think, Minister for Agriculture.

Mr. Brand: Minister for Industrial Development.

Mr. GAYFER: Yes. He agreed to set up the committee following a motion moved by the honourable member for Geraldton. I think. Even then the present honourable member for Geraldton represented Geraldton, and he has just put up his hand to signify that it was he who moved for the committee. Mr. Watts at that time agreed that a Select Committee should be set up to go into the question. In February of the following year there

was a change of government and the committee reported back to a later government; it reported to the Minister for Agriculture of the day. I notice from the report of that committee, of which the honourable member for Geraldton, Mr. Sewell, was a member, that the committee was asked to report on all facets of the rise in super. If we go right through the report we find that the committee produced a pretty negative report.

An honourable member interjected.

Mr. GAYFER: Perhaps. How much the honourable member for Geraldton had to do with it I do not know. Possibly that committee was established for much the same reason as the one suggested in the present motion.

Mr. Sewell: That was a departmental inquiry.

Mr. GAYFER: It went into the cost of superphosphate. That is to be found at page 11. The honourable member can go through the whole lot and rehash it if he so wishes. The committee covered more or less the same subjects as are suggested now.

An honourable member: What about additives?

Mr. GAYFER: I will get on to the two basic additives later. That committee went into the superphosphate question in much the same way as a Select Committee would pursue the matter in this State.

Mr. Oldfield: I thought you would be a pretty good shareholder in the super works.

Mr. GAYFER: I will deal with that also in a minute. This report is similar to a previous one which was submitted by The Hon. H. S. Seward, who was appointed by Sir Charles Latham in 1952 to go into the whole of the superphosphate question and satisfy himself as to the price increase. That occurred three years prior to the former report, and again a fairly negative report came back. So much for that part of the question. That covers 8s. 6d. out of the increase of 9s. The other 6d., of course, is concerned with sulphur.

In regard to the sulphur question I wish to quote from *The Australian Financial Review* of Wednesday, the 7th October, 1964, where, under the heading "Government May Buy Acid Plants", it states—

Producers of sulphuric acid from the pyrites were rapidly converting their plants to produce from imported brimstone.

Mr. R. J. White, of A.C.F. and Shirley's Fertilisers, told the board that his company was converting to brimstone plant in July, 1965 when the present bounty expired because of the economies involved.

It would do this whether the bounty was continued or not.

I understand that most of the sulphur at present is imported from American and Japanese brimstone com-

American and Japanese brimstone companies. I was not able to find out much on the sulphur question. Therefore I had to turn again to the *Geological Survey Bulletin*, No. 111 where the heading "The Exploratory Diamond Drilling of the Koolyanobbing Iron Deposits for Pyrite—February, 21, 1956," occurs; and I wish to quote the following, which is to be found on page 7:—

The acute shortage of crude sulphur for use in the local manufacture of sulphuric acid for the conversion of imported rock phosphate to superphosphate in the immediate post-war years and the dependence of the superphosphate industry to a large extent on pyrite material from a then rather precarious source of supply, namely, the "Iron King" Pyrite Mine at Norseman caused the State Government of the day to seek a recommendation from the writer (H. A. Ellis—Government Geologist) as to the most likely source of new deposits of pyrite material worthy of exploration.

During the course of a special State wide iron ore survey inaugurated in 1938 the field work, of which the writer was in charge of Koolyanobbing, the first deposit investigated, the other iron ore lenses shown on Plate I were found by the writer. They were unquestionably known to many prospectors and sandalwood cutters before that, but their official discovery added very greatly to the importance of the area as a source of iron ore and pyrite.

However, because of there having been many Governments, and because of the fluctuating price of superphosphate over the years since those deposits were first uncovered in 1938, nobody has yet seen fit to open up an extra sulphur mine.

Mr. Kelly: What depth were they?

Mr. GAYFER: The depths are shown here if the honourable member wishes to see them. There may be some reason why the sulphur mines were not opened.

Mr. Kelly: They were over 500 feet deep for a start.

Mr. GAYFER: That could be the answer. In my research into the question of sulphur, that is practically the only thing I could find out. Therefore sulphur has to be imported, and it will have to continue to be imported unless we open up these very deep mines that the honourable member for Merredin-Yilgarn talks about. The feasibility of doing that would depend on whether mines at the great depth would be warranted, or even successful. I conclude my remarks on this portion by stating that the 9s. increase is justified because of the increasing world prices.

The honourable member, when he moved his motion, spoke these words, which rather intrigued me—

Unless there is a very considerable increase in the price of those two minerals, the high increase in the selling price of these fertilisers does not appear to me to be justified.

Later, he went on to say—

Regarding zinc, I am aware there has been an increase in price.

Zinc supplies could come from outside Western Australia and the price rise could be justified.

I heartily agree with the honourable member that zinc supplies come from outside Western Australia; we know that, and again, world parity dictates the price of zinc oxide. In the records of the Mines Department which I have studied there is proof that there is no argument here. The availability of supplies is outside Western Australia. The second part of which he spoke, lies in the words—

Unless there is a very considerable increase in the price of those two minerals, the high increase in the selling price of these fertilisers does not appear to me to be justified.

I have found that only 10 per cent. of the copper ore mined in Western Australia can be used in the admixture necessary for superphosphate, and that 90 per cent. of imported copper is used in order to reach the standard that is required and laid down by the Department of Agriculture.

I discovered that, at Peak Hill, the Cresco Fertiliser Company produces a 10 per cent. grade copper ore which is as good as it can get in this State. However, it can make use of only 10 per cent. of that 10 per cent. in making up the total of 100 per cent. copper which it needs for the additives. The firm of Cuming Smith & Co. Ltd. also has a mine at Phaduna; and it, in turn produces only a 10 per cent. grade copper ore and, like the Cresco company, it uses only 10 per cent. of the 10 per cent. copper in the additive.

The reason why those companies use only that percentage of copper ore is that, unless this principle were followed a great deal of waste material would be transported, which would be out of the question because, financially, it would be prohibitive to use that type of material. Further, as farmers, we would not care to use low-grade material. We also know that there is a great quantity of 3 per cent. and 4 per cent. copper ore available; but at this stage, even in the light of present-day competition the cost of upgrading that copper to the standard that is required for the manufacture of fertilisers—that is, 20 per cent.—would be out of the question. Consequently, the superphosphate companies in Western Australia, like the superphosphate companies in

other States, have to buy the necessary additives from overseas in order to upgrade the copper ore produced in this State.

I am told that 3,000 tons of copper ore were imported into Western Australia, and this was mixed with 450 tons of copper ore from Whim Creek. I understand the ore from Whim Creek was of 10 per cent. grade, but I am open to correction on that. The superphosphate company generally make out costs in September of every year and, in respect of copper ore, we found that when preparing its costs for the forthcoming year, the company had a carry-over, in store, of a certain tonnage from September, 1963, and this ore cost the company £106 a ton.

In July, 1964, the company purchased a considerable amount of copper ore at £158 a ton. That left the company 50 tons short of its requirements. In September, 1964, it was necessary for it to establish its price for the following year, so the price was based on the ore it had in store, or stockpiled, and the material it had bought at world parity prices, which were £50 in excess of the price for copper ore in the previous year.

However, because the company had already copper on hand valued at £106 a ton, and copper it had purchased at £158 a ton, it set its price at that level, realising that 50 more tons of copper ore had to be bought. So if the superphosphate containing copper is sold at a price round about £150 a ton, somebody is going to be the loser. From what I could ascertain, it would appear that the superphosphate companies have never been known to make a price rise during the year, so if any added costs are incurred, the loss will have to be borne by the companies.

It is also interesting to know in respect of copper—as the Minister for Agriculture stated—that throughout the world the price of copper seems to be controlled by international tension, stockpiling, and world demand. The world price seems to bring about increased activity which might be expected in regard to this particular mineral. It is reasonable to expect also that when copper becomes over-supplied the price on the world market will drop, as has happened before. Furthermore, we are using more copper now than ever we did in previous years.

Dealing with the additive urea, I discovered that there is, indeed, an increase of £10 to £12 a ton. We know that last year a Japanese company produced urea at a fairly competitive price. In fact, it was a low price.

Mr. Kelly: It was £8 a ton, wasn't it?

Mr. GAYFER: I have forgotten the price now; I did not take a note of it.

It was a fairly competitive price compared with any of the others for nitrogenous supplies. We also know that a nitrogenous plant can be established and

brought into production fairly quickly. It is also known that many plants can be built and excessive competition can fluctuate the price so that a newly-built plant could stand to lose rather quickly.

However, I find that the prices for urea in Australia are as follows:—

	Per Ton
	£ s. d.
South Australia	52 15 0
Victoria	54 5 0
New South Wales	52 0 0
Queensland	55 3 4
Western Australia	53 0 0

From those figures it can be seen that the Western Australian price is not very far above that in South Australia, and considerably lower than the price in Victoria.

The point I want to make from now on is that I feel that the increases in prices are justified, but I think that honourable members have become a little confused in respect of companies, competition, and various aspects which I consider are not covered by the motion. As I have said, I believe that international factors have caused an Australia-wide increase in the prices of all commodities throughout the Commonwealth. If another company could be induced to come to this State to compete, and was able, being a co-operative company, to return profits by way of rebate to the grower, then so be it; but this would not come within the terms of the motion moved by the honourable member for Boulder-Eyre for the appointment of a Select Committee.

There is a move at present to establish another superphosphate company in Western Australia. I consider that such a move could be investigated by the proposed committee to ascertain whether it is desirable. However, despite the fact that mention has been made of certain phosphate companies throughout the Commonwealth, it is found that in New South Wales—which is a very large user of superphosphate—there has been no stampede to stimulate further competition until recently. Nevertheless, that appears to be an entirely different subject from that of phosphate rock, or the world price of the various commodities we are discussing at present.

In conclusion I can only state that—regardless of whether or not I consider an investigation into the point which I have been discussing, but which does not form portion of the honourable member's motion, is desirable—I feel that the price increases are justified, and that therefore I can oppose the appointment of a Select Committee to investigate this issue.

MR. ROWBERRY (Warren) [4.42 p.m.]: I support the move for the appointment of a Select Committee to investigate the cost of materials which are used in the manufacture of superphosphate, and also in regard to the other part of the motion seeking an inquiry into the steep price increases as has been pointed out by the honourable member who has just resumed

his seat. I do not know much about the ingredients which are used in the manufacture of superphosphate, and I did not know very much about the places whence these ingredients come until I listened to the honourable member for Avon, who seemed to tell us everything about superphosphate except that which comes within the terms of the motion; that is, the reason for the rise in the cost of material, and therefore the reason for the rise in the price of superphosphate to the various consumers.

Has there been a rise in the cost of materials; and, as indicated in the motion, has there been a steep rise in the price of fertilisers to the consumer? These are the points for which I listened very carefully when the Minister for Agriculture was speaking, in the hope that he would elucidate some of them; but he made confusion, in my opinion, still worse confounded.

For instance, he quoted the figure of 6,000 as applying to the number of shareholders in superphosphate companies; but, in itself, the figure of 6,000 means nothing to me. What is the breakdown of the 6,000? Who comprise the numbers within the figure of 6,000? These are the interesting features; but it must not be forgotten that the price of superphosphate is a very important item in the cost of production in agriculture in this State.

It has been asserted, and demonstrated, that agriculture in this State could not continue without superphosphate; that the land in certain places would not grow a blade of grass if superphosphate were not added to it. So to the farmers, and to the whole of the Western Australian community, this question is most important; and one would have thought that the Minister, who has jurisdiction over this matter, would be able to bring before us some facts and figures to enable us to make up our minds, instead of telling us that, on the facts and figures supplied to him, he was satisfied the increases in the cost of materials used and the steep rises in the price of fertilisers were fully justified.

Had the Minister brought down the figures upon which he based that assumption we might have agreed with him; in all probability we would have agreed with him. But we do not want to be fed pre-digested and preconceived opinions which are given to us in the House. We want something on which to make up our own mind.

Had we been given a breakup of the cost of the materials to the company, and had it been indicated how that cost was to be absorbed in the price to the community, possibly he could have made a case. But the Minister—who insists that other people bring him sound arguments and facts and figures when any approach is made to him—comes here with preconceived ideas and opinions; throws them

into our laps as being sound; and then wants us to put our hands in his and go forth into the darkness. We cannot accept that logic.

The fact that there are 6,000 shareholders in this company means nothing whatever, unless we know how many farmers there are, and what percentage of the total number of farmers of the State it represents. Having received that information we want to know what type of farmer the shareholders represent. Do these shareholders represent the farmer who is in the higher or middle class income bracket; or do they represent those of the struggling class of farmers of whom we have heard so much recently—the butterfat producers, and the dairy farmers especially?

This is something which could affect their very existence. It could be one of the biggest items in their balance sheet and in their cost of production. The fact that the price of super has gone up so tremendously in recent times—if it has—could be a deciding factor which could send the farmers over the hill and cause them to go out of production altogether with consequent detriment to the economy of the State. Surely that is an important enough argument to put forward for the appointment of a Select Committee to inquire into items specified in the motion! That there is quite a lot of dissatisfaction amongst the farmers is proved if we pay attention to certain items in newspapers such as the *Farmers' Weekly* and others which are circulating in the community. I happened to read an item in the *Farmers' Weekly* a few weeks ago of a special meeting of the Merredin zone of the Farmers' Union. The principal item for discussion at that meeting was the extreme dissatisfaction at the recent steep rise in the price of super.

During the course of his remarks the honourable member for Avon said that a committee of the Farmers' Union had been appointed; that it was sitting; but that it had not produced a report. I hope I heard him aright. Here we have members of the Country Party who are supposed to represent the farming community of the State turning their backs upon the interests of their own people.

Mr. W. A. MANNING: We are looking after them all the time.

Mr. Kelly: Not very successfully.

Mr. ROWBERRY: The honourable member for Narrogin said that they are looking after those interests all the time. But this is only being done so far as it is circumscribed by the ukase laid down by the Government to which they subscribe. If the Minister for Agriculture says he opposes a certain thing, I have yet to see the member of the Country Party who will have courage enough to oppose the Minister for Agriculture. They may indicate that they think that we on this side

are in the right; but when it comes to a division, which is really all that matters in these things, we see how they look after the people they represent! They fail them miserably.

So I do not think there is much substance in the interjection of the honourable member for Narrogin when he says they are looking after the interests of their members all the time; because here we have one of the most important things that could be considered to be in the interests of the farmers of this State in recent times. I refer, of course, to the price of super, because the existence of every farmer in this State depends upon super.

That being so, his income will depend upon his ability to purchase super and to feed it into the soil so that his return will be correspondingly increased. In my opinion the best and surest way to indicate to the farmers and to the people of Western Australia that we in this House are looking after their interests—and in this I include the members of the Country Party—would be to agree to this motion. We could then demonstrate within the ambit of this motion whether or not the costs of materials were justified, and whether or not the recent high increase in price was justified. Because of that I support the motion.

MR. CORNELL (Mt. Marshall) [4.53 p.m.]: I wish the other honourable members surrounding me would not be so slow because we might have got this adjourned to a later stage of the sitting. My contribution will be quite brief.

I listened to the various speakers and I accept the invitation of the honourable member who has just resumed his seat to give a breakdown of figures in respect of the cost of super in this State. This information to the best of my knowledge has been collated fairly accurately, and I believe it is substantially correct. The price of phosphate rock landed at Fremantle is £6 15s. 1d. per ton. An amount of 0.574 tons of phosphate rock is required to produce one ton of super, and the ultimate figure is 77s. 6d. For elemental sulphur the price at Fremantle is 262s. 2d. a ton. It takes 1.67 tons to manufacture a ton of super, and that figure extended is £2 3s. 9d.

The cost of water to the super works is 2s. 3d. per 1,000 gallons, and the manufacturing requirements are 1,250 gallons per ton, the extended figure being 2s. 11d. The price of electricity at the works is 2.13d. per kilowatt hour in Perth, and the extension is 4s. 5d. per ton. So far as inward freight is concerned all phosphatic rock is carted from Fremantle to Bassendean by road, and the price per ton for the 20-mile journey is 10s. a ton, and when extended that figure is 5s. 9d. The freight on elemental sulphur is 1s. 8d. per ton.

Mr. Rowberry: What would it be by rail?

Mr. CORNELL: All other uncostered items, including profit is £3 5s.; and the aggregate total for the manufacture of a ton of super is £10 1s. Deduct a subsidy of £3 a ton and we have a cost of £7 1s. So that the selling price of plain super is a reasonable figure. That is plain super.

When we get on to the additives, however, the matter poses problems which I do not propose to buy into. But I would like to make some comment on a question I asked in this House on the 6th October last. I am afraid I must join issue and take exception to the reply. Part (2) of one of the questions I asked was as follows:—

Is it too much to ask that the manufacturers produce documentary proof which would evidence the prices being paid for the materials in question?

That was for additives to the plain super—the trace element super—which is in considerable demand and which is increasing yearly. I asked would it be too much to ask, and the Minister replied, “Yes.”

I do not know that it is too much because, as far as I can see, the super companies at the moment are inclined—and I use the word inclined advisedly—to adopt a rather cavalier attitude when one makes inquiries at their head office as to certain facets of the fertiliser industry in Western Australia. It would be far better, and would create a feeling of greater trust between the consumer and the manufacturer if the latter stepped out of their ivory tower and gave information a little more readily than they do at the moment.

Mr. Nalder: They made that information available to the Department of Agriculture on a confidential basis, and we are obliged to honour that.

Mr. CORNELL: In the interests of mutual trust that should exist between two sections of the industry, I think it is high time that the iron curtain be withdrawn and for the manufacturing companies to come a bit cleaner than they have done recently on certain aspects of the manufacture of super in this State.

It is well known, of course, that the superphosphate set-up in Australia is a pretty close preserve—and I use that expression advisedly. In New South Wales two companies operate, one of which is the Sulphide Corporation Pty. Ltd. and the other Australian Fertilizers Ltd. The main shareholders of the Sulphide Corporation Pty. Ltd. are Conzinc Riotinto Aust. with 75 per cent. and New Broken Hill Corp. with 25 per cent.; and that of Australian Fertilizers Ltd. is I.C.I.A.N.Z. with 53.2 per cent.

In Queensland the manufacture of superphosphate is in the hands of A.C.F. and Shirleys Fertilizers Ltd., the main shareholder being Aust. Fertilizers Ltd., which is a wholly-owned subsidiary of Chemical Industries and which owns 50 per cent. of the shares. In Western Australia BP Cuming Smith & Mount Lyell is one and Cresco the other. Of the former company, Cuming Smith owns 33½ per cent.; British Petroleum 33½ per cent.; and Wesfarmers Superphosphates 33½ per cent.

Here I feel I should make some reference to the comments made by the Minister for Agriculture when he said that individual farmers in Western Australia owned a 33½ per cent. shareholding in Cuming Smith & Mount Lyell. Western Australian farmers are shareholders in Wesfarmers Superphosphates, which has a 33½ per cent. interest in Cuming Smith & Mount Lyell, but it is drawing a particularly long bow to say that the individual shareholder in Wesfarmers has any worthwhile say in the activities and manipulations, or whatever they do, of the parent company. It does not mean to say one could even legally attend a meeting of shareholders.

In South Australia three firms operate: Adelaide Chemical and Fertilizer Co. Ltd., Cresco Fertilizers Ltd., and Wallaroo-Mt. Lyell Fertilizers Ltd. It seems as though there is reasonable competition there, because none of the tall poppies of the Australian chemical industry have a shareholding in these companies; and it is interesting to note that in a State where competition is most active, they still have price control and the price of fertilisers in South Australia is fixed by the Prices Commissioner.

Mr. Norton: The Minister for Industrial Development should be interested in that.

Mr. CORNELL: The price is high; and I am not advocating that the prices commission operate in other States; I am just making the point that where competition appears to be the most active, they have price control for fertiliser.

In Tasmania the name of the company is Electrolytic Zinc Co. of Australasia Ltd.; and in Victoria one is Cresco Fertilisers, which operates in Western Australia and South Australia; Commonwealth Fertilizers and Chemicals Ltd.; and Phosphate Co-operative Co. of Australia, known as PIVOT, which has 20,000 primary-producer members. I think the operations of that company were touched on by the honourable member for Avon; and the output of that company represents approximately 45 per cent. of the superphosphate that is sold in Victoria. Incidentally, for the information of the honourable member for Avon, the price of superphosphate in Victoria is £6 4s. 6d. per ton bulk.

Mr. Gayfer: How much in South Australia?

Mr. CORNELL: The honourable member for Avon has had my file on the subject all the morning and I would think he would be in a position to give the answer to that question. He is in the same position as I was earlier this afternoon. Dealing with the PIVOT Company, I will say briefly that that company operates on a co-operative basis and grants rebates to its shareholder members. For the information of the House, the rebates returned to a holder of 60 £5 shares in the last 10 years amounted to £1,300 on a shareholding.

So in addition to the £6 4s. 6d. per ton which the shareholder member of the PIVOT Company pays in Victoria, that figure can be reduced by a further 18s. a ton at least, because that was the major obtained for super last season. I am not sure about the price of superphosphate containing additives.

I do not propose to support this motion, because I have sat on Select Committees appointed by this House, and as far as I can see they are only appointed to whitewash some people.

The last Select Committee of which I was a member included the honourable member for Boulder-Eyre and we had an interesting exercise dealing with a flat rate price for liquid fuel. The people who advocated a flat rate price for liquid fuel could not be found after the Select Committee was appointed; and those whom we did eventually locate, virtually turned King's evidence and we got exactly nowhere.

The Country Party generally is not in favour of this motion and I am prepared to go along with it, but I do so with one reservation: Whether the opposition to this motion by the Country Party will satisfy the bloke in the bush on the plough I do not know. I do not think it will.

Mr. Kelly: It certainly won't.

MR. FLETCHER (Fremantle) [5.7 p.m.]: I did not intend to buy into this particular issue until I heard some of the discussion this afternoon. However, as usual, I find in my elaborate file of newspaper cuttings I have evidence to support the desirability of such a committee being appointed. I am also aware that a newspaper cutting has been quoted in my absence. It appeared in *The West Australian* of the 1st August, 1964, under the heading, "Super Price Up 9s. a Ton." I have another cutting with which I will deal later.

The motion moved by the honourable member for Boulder-Eyre reads as follows:—

That a Select Committee be appointed to inquire into and report upon the cost of purchase and processing of all the components of the various types of fertilisers used in this

State's Agricultural Industry; and also to inquire into the recent steep increases of prices to the consumers of all types of fertilisers; and to make recommendations accordingly.

I have not had time to indulge in all the research that I would have liked as I did not think it would be necessary. I thought the Country Party and the Government would support this motion. As I have said, I think it is well worthy of support. The prices of superphosphate are steep, indeed. Having in mind an increase, as stated in *The West Australian* of the 1st August, 1964, of 9s. a ton, I would point out there is a Commonwealth subsidy of £3. I believe that if those who sell superphosphate can put up the price to the farmer to the extent of 9s. per ton, then there should be some inquiry as to whether the £3 subsidy which is paid from the taxpayer's pocket should be paid to assist private enterprise in this respect. I would point out that not only the taxpayer pays, but the farmer also pays in the form of a tax, in addition to the increase of 9s. per ton.

A Press cutting of the same date makes reference to an increase of 13s. 6d. per ton for phosphatic rock. As there is no price control upon the rates that overseas shipping companies can charge for freight, it is quite conceivable that that 13s. 6d. per ton is, in part, an increase in freight. The Press cutting also mentions an increase in the cost of wages and an increase in the price of sulphur. However, a committee as sought by the honourable member for Boulder-Eyre could inquire as to whether or not these commodities could be shipped to Australia at a cheaper rate.

I would point out that possibly the ships leased by the Commonwealth could transport sulphur and phosphatic rock to Australia at a cheaper freight rate than do the big overseas shipping combines. That is something which this committee could investigate. Have the farmers thought of that aspect; or will they just vote against the motion without giving thought to that point?

Reference has been made to the 6,000 shareholders in the co-operative who have a dividend paid to them. As I said before, it is the taxpayer who is subsidising the price of superphosphate; and, in effect, he is paying money into the pockets of these 6,000 shareholders. If I am wrong, then there is something wrong with my reasoning; and I feel a committee is justified so that it can inquire into that aspect.

In my opinion there are co-operatives and co-operatives. A co-operative store, for example, gives a benefit to its shareholders in the form of cheaper prices; but what do we find in this instance? We find a co-operative that does not provide super at a cheaper price so that it can benefit the farmer. It puts extra profit in the form of 9s. a ton for increased

prices into the pockets of 6,000 shareholders. At whose expense? As I pointed out earlier, at the expense of the farmers and the public. They are the ones who pay.

I cannot give a breakdown of the prices of the ingredients used in the manufacture of super as did the honourable member for Mt. Marshall, but I do know this: the sale and manufacture of super must be a very satisfactory business proposition. It must be, or we would not have seen in *The West Australian* of the 1st August, 1964 a brief reference which is very valuable to my argument and to the argument of the honourable member for Boulder-Eyre when he submitted his motion. The heading is, "Big Capital Profit" and it reads as follows:—

Boral Ltd. reports that the sale of W.A. fertiliser interests to BP Ltd. for £3,750,000 represents a capital profit of about £2,300,000.

The sale involves 1,306,104 fully-paid shares in Cuming Smith and Mt. Lyell Farmers Fertilisers (W.A.) Ltd. which Boral holds through its wholly-owned subsidiary, Mt. Lyell Investments Ltd.

The book value of the shares is £1,486,288.

That is big money; and where did it come from? It came from the unfortunate farmers who paid the super price for superphosphate. There is no need for me to elaborate on that as it should be self-evident to this House why this worthwhile motion should be carried.

I ask the farmers' representatives in this House: Would BP take over an unprofitable proposition? I submit it would not.

As this House knows, I have had a very varied career. The Cresco books will reveal that the present member for Fremantle worked there until 1934. There was a practice indulged in then, which I do not state is indulged in now; but the then 24 per cent. super was broken down from that percentage to 22 per cent. by Cresco employees wheeling in barrow loads of sand as the excavator pulled the super from the bins. By adding sand to the super they broke down the percentage from 24 per cent. to 22 per cent. If I never move from this spot; if I were to be struck down this very minute, I say that I saw that with my own eyes!

I say to the honourable member for Wellington—I address my remarks to the honourable member because he is trying to interject—that sand was carted from Bayswater to farmers' properties. Is it not worth while to have a committee to investigate this sort of thing, to see whether people are still buying and paying rail freight on sand instead of superphosphate? I think the motion is very worth while.

I do not see that honourable members can submit any arguments by interjection that could defeat the justification for having such a committee; that could defend farmers from being sold sand in superphosphate instead of superphosphate. I was there in 1934 and I saw it with my own eyes.

Honourable members may either accept my word or they may call me a liar. I saw what I have just related. If farmers can capably manage and operate a very beneficial grain co-operative, then those same farmers can operate an equally successful superphosphate co-operative. A Select Committee could inquire into that aspect and say to the farmers, "You are managing a very efficient enterprise to your mutual advantage and on your mutual behalf." It could investigate the prospect of farmers joining together for the worth-while purpose of creating the same sort of competition in this particular industry to the advantage of the farming community. There might be the prospect of selling our cheaper grain at more competitive prices overseas—that is, if the sharks on the overseas shipping companies do not price the commodity off the world markets.

Mr. Lewis: Farmers have looked at that aspect.

Mr. FLETCHER: The committee could see whether such a farmers' co-operative could be formed to the advantage of Western Australia. I commend the honourable member for Boulder-Eyre for giving us an opportunity of debating this subject. I am sure farmers would support such a motion, because it would advantage the State. I know it is no good appealing to Government members not to look at this matter as an endeavour on the part of the Labor Party to achieve a political advantage. Farmers' representatives know that I speak with sympathy and understanding on behalf of the farmers.

Mr. Lewis: Where would they find the money to put up their own works?

Mr. FLETCHER: They found the money to put up their own grain bulk handling project. I leave that aspect with the farmers. They did a good job, and they could do a good job with super.

Mr. Lewis: They tried it many years ago. I would tell the honourable member that the Minister for Education knows more about this subject than he thinks.

Mr. FLETCHER: I do not deny that. The Minister is attempting to do what the Minister for Industrial Development does. He hears me submit a quite reasonable argument and he then tries to blow it to bits with an interjection which does not hold water. He does that in an endeavour to negate the arguments that I submit.

Mr. Court: You paid me the compliment the other night of saying that I destroyed your argument with one interjection.

Mr. FLETCHER: The Minister for Industrial Development is now at it again! I ask the House to accept that the Labor Party is anxious to see cheaper production of superphosphate to advantage the farmers of this State. Let us have a committee to see why this industry, among other things, is considered a worth-while takeover proposition by the big business interests I have mentioned. I support the motion and I sincerely hope it will be carried.

MR. I. W. MANNING (Wellington) [5.21 p.m.]: The honourable member for Boulder-Eyre, when introducing this motion, sought to obtain information on one or two points. My understanding of the motion is that the proposed committee would report:

upon the cost of purchase and processing of all the components of the various types of fertilisers used in this State's Agricultural Industry; and also to inquire into the recent steep increases of prices to the consumers of all types of fertilisers;

What I wish to say will be very brief, because I feel that the information sought by the honourable member for Boulder-Eyre has been very amply conveyed to him in the debate this afternoon by the Minister for Agriculture, the honourable member for Avon, and the honourable member for Mt. Marshall, who submitted figures in answer to questions asked by the honourable member.

There are one or two points which could stand emphasising. I agree with the honourable member that the cost of fertilisers and the cost of additives, and the part that these various types of trace elements play in the success of agriculture in Western Australia, are very important indeed. Farmers are well aware of their importance and they are well aware of the impact of any increase in costs.

In addition, farmers are well aware of the trend which has been going on over the past 10 or 12 years in the rising cost of fertilisers. I would emphasise one point made by the Minister: that in 1952 the cost of super was £15 18s. per ton; in 1956 it was £14 per ton; and in 1963 it was £11 10s. per ton. On behalf of farmers I gratefully acknowledge the contribution made by the Commonwealth Government in granting a bounty of £3 per ton on superphosphate.

We would have to roam the globe to cover all of the points raised by honourable members of the Opposition when they were speaking in support of this motion. The honourable member for Fremantle spoke about sand in fertilisers. This House is well justified in rejecting the motion, on

the ground that the information sought by the honourable member for Boulder-Eyre has been supplied to him. Any committee of inquiry would not gain any more knowledge on this subject than that which has been presented to the honourable member.

Those of us who represent areas where additives to fertilisers are all-important—and I know this applies very much to the honourable member for Boulder-Eyre, in view of the tremendous land development which is taking place in the Esperance area, which is in his electorate—know that right down the coastal regions additives to fertilisers are an absolute necessity; and agriculture would not be successful without them. So the honourable member for Boulder-Eyre, if he has achieved nothing else, has achieved something by having this subject raised and debated; and by giving us an opportunity of commenting on the trend in costs, and the costs of additives to fertilisers in particular.

I might offer the following suggestion to the Government: We should at all times make an all-out effort to produce, within the State, whatever additives we can, and copper in particular. We should endeavour to find and produce copper ore with a sufficiently high percentage of copper which would meet the requirements of the State, without having to import it from overseas. I too oppose the motion for this inquiry.

MR. HART (Roe) [5.28 p.m.]: I should like to add a few words to what has already been said, although the subject has been very well covered. Firstly, I quite agree with the honourable member for Boulder-Eyre that the recent increase in the price of superphosphate and additives is a matter of grave concern, and is causing a lot of worry to farmers generally—particularly increases in relation to copper, and copper and zinc. Bearing in mind the results of past Select Committees, however, I do not think that a Select Committee to deal with this matter would be of very much help.

It appears to me that the causes of the rise in straightout superphosphate at 9s. per ton are fairly clear-cut. The rise has been caused by the increased price of phosphate rock determined by the British Phosphate Commission which lays down the price. We have had a breakup of the price. We have seen how it comes to 8s. 6d. and how the extra 6d. is due to the sulphur additive. That gives us the increase in the price of straightout superphosphate, which is now 9s. per ton.

Let us consider copper mixture. It has been said that all copper used in the mixture has risen by £50 per ton over prices obtaining a year ago. We have already heard how the averaging out of stocks in hand, plus increased overseas

prices, has brought a straightout price rise in copper used in the mixture which is quite beyond Australian control.

The same applies to zinc mixture. The present overseas world price is up £47. This world price goes up and down as does the wool price. We have heard an explanation for the rise in urea. We have heard a breakup of the increased price of superphosphate, and copper and zinc. That one mixture is probably the biggest and has caused the biggest shock to growers. They are asking, "Why the big rise in the mixture of copper and zinc?" The price is up by £2 11s. 6d. per ton.

The breakup of this increased price is, to the best of my knowledge, correct. It has been given by a number of different people. The breakup price of straightout superphosphate, plus a little bit of sulphur, is 9s. The breakup price of copper is £1 7s. 6d. with additives; and the increase of 15s. brings the price of superphosphate, copper, and zinc up by £2 11s. 6d. on last year's prices.

Mr. Kelly: What percentages of those additives would be in a ton of superphosphate?

Mr. HART: I have not got the figures, but they are laid down.

Mr. Moir: It is important.

Mr. Kelly: It is a very important factor.

Mr. HART: Yes; but they are laid down by the Department of Agriculture. Each ton of mixture is required to have a certain percentage of whatever additives are used. They are all tabulated and the information can be obtained from the department by ringing the office in South Perth.

Mr. Kelly: The amounts of copper and so on used in a ton of superphosphate would not be a very big percentage.

Mr. HART: The honourable member can get all the figures from the department. I am satisfied with the figures that I was given and I am prepared to accept the breakup as being factual. We have to accept these increased prices because overseas commodities are used and we have no control over their price. The inquiry asked for by the honourable member was into the costs and increased prices of superphosphate and the additives used. But from the point of view of the farmers throughout the country it is not so much the overall increase in prices over the last 20 years, which was what the honourable member for Yilgarn referred to, but the specific rise this year which is causing consternation and serious concern. But bearing in mind where the ingredients for superphosphate come from, I cannot see that an inquiry of the type asked for would be any help.

Mr. Tonkin: Would any inquiry be an advantage?

Mr. HART: In supporting the motion the honourable member for Merredin-Yilgarn spoke a good deal about the rises in the price of superphosphate over the last several years—the last 15 to 20 years.

Mr. Kelly: That was incidental.

Mr. HART: That is not causing concern among growers today; it is the rise in price that took place this year with minor elements and superphosphate about which the farmers are concerned and which they would like to do something about.

Mr. Moir: It is always the last straw that breaks the camel's back.

Mr. HART: I have certain information, and I suppose honourable members could ask for the source of that information. I obtained it by digging around in the same way as everybody else gets information. From that information, as I see it, the rises in price have been caused solely by these items imported from overseas, and we cannot do anything about world prices. Because of that, I cannot see how a Select Committee could possibly help.

However, I would urge that every means possible be exerted by the powers that be in Western Australia to promote the production of copper ore in this State. While we have such high prices for imported copper I think the only thing that will help is an increased production of copper in Western Australia. Therefore, with that end in view, every means possible should be used to promote the mining of copper ore of better quality than has been produced in recent times.

We know that when some of the smaller shows start mining the grade of the ore is fairly good; but as the mines get deeper the percentage of copper drops to such an extent that they cannot carry on. If it is possible to upgrade the lower-grade copper ore it will be another means of producing more copper and perhaps in that way we can get some relief from the high prices we now have to pay for imported copper. If we could get more copper produced, even if it was below 10 per cent., or we could find some economical means of upgrading the ore, I feel it would be an avenue open to us to help reduce costs, and it is something that should be investigated.

The other means by which I think we could assist is a rather broader issue and this has already been mentioned today: I refer to more competition in the manufacturing and handling of superphosphate in Western Australia; competition such as they have in Victoria and South Australia, but without the price control that exists in South Australia.

Because a Select Committee would not be able to cover the points I have raised, and the motion refers directly to an inquiry into costs and increased prices, and for the other reasons I have given, I cannot support it.

MR. MOIR (Boulder-Eyre) [5.35 p.m.]: It has been a very interesting debate this afternoon, and a most surprising one. When I introduced the motion I believed it would cause a lot of thought to be given and a lot of research to be made into the subject by honourable members representing country constituencies, and particularly Country Party members in this House. There does appear to have been some inquiry by honourable members, but for the most part the remarks made during the debate have been completely off the beam.

The only member of the Country Party who made an informed speech on this motion was the honourable member for Mt. Marshall. One could see by the questions he asked in this House that he had gone into the matter fairly thoroughly. But the surprising thing was that although the honourable member for Mt. Marshall gave some valid reasons why an inquiry should be made along the lines suggested in the motion, he made the amazing statement that because the Country Party opposed the motion he would go along with the party.

So it appears that this matter is being treated on a party-political basis, and the Country Party, in conjunction with the rest of the Government, has decided that there will be no inquiry. In my view, this afternoon we witnessed the abdication of the Country Party as the representative and the protector of the interests of the farming community in this State. I say that without any reservation.

We have heard speakers from the other side stressing the importance of fertiliser products to this State. Everybody realises that, but they stressed the importance of those products. The honourable member for Wellington gave as his reason for not supporting the motion the fact that we had received all the information we needed; and that I, as the mover of the motion, had been told everything I wanted to know, by way of answers to questions and during the debate, to justify an increase in the price of fertilisers.

I have heard nothing put forward from the other side—and that includes the Minister for Agriculture, who is the Leader of the Country Party and the Deputy Premier of the State—which would justify opposition to this motion. The Minister for Agriculture, in speaking to the motion, and replying to my arguments, spoke for about 10 minutes. He indicated he was opposed to the motion and he also opposed any other form of inquiry. As a matter of fact, not one honourable member who spoke against the motion, except the honourable member for Mt. Marshall, could give any convincing reasons why he considered the prices for superphosphate were justified.

Almost without exception honourable members opposite said that they were of the opinion the increases were justified.

But the information that I have been able to gain by way of answers to questions, mostly directed to the Minister for Agriculture, have not satisfied me that the increases were justified; because, while a certain amount of information was forthcoming, the vital details which I wanted were not given. The Minister for Agriculture gave as his reasons, in some instances, that the information was not available to him and he did not know; and, in other instances, he put forward the amazing excuse that it would be a breach of confidence if he disclosed the prices that were paid for certain components used in the manufacture of fertilisers.

I say "amazing" because one reply he gave was in answer to a question I asked about the price of imported sulphur. I consider the reply he gave me had no bearing on the question at all.

Mr. Kelly: It was purely evasive.

Mr. MOIR: It certainly was evasive. On the 13th October, in question 13, I asked the Minister the price paid by fertiliser manufacturers for imported sulphur; and, in reply, he stated that this information was confidential to the Government. Why should that information be confidential to the Government? This is an import from overseas; and, as a matter of fact, a certain amount of information regarding the value of imports can be obtained from the *Commonwealth Year Book*. Yet the Minister stated this information is confidential to the Government.

When I asked him a further question as to what dire consequences could occur if the information were revealed to the House, I got this amazing reply—

The honourable member would realise that to make public information provided confidentially for a specific purpose would be a serious breach of trust.

That is the most amazing reply I have ever heard from a Minister in this House. I could not understand why the Minister took that attitude. I could understand to a certain extent the Minister giving such a reply to a question regarding the cost of locally produced pyrites; but even in that regard the local producers of pyrites receive a Commonwealth bounty, and a very heavy subsidy by way of railway concessions from the State Government. So I think the prices being received for that commodity should be a matter of public interest, and should be made available to the public, or to me as a representative of the public. I cannot see how they could be confidential to the Government.

However, be that as it may, there was certainly no justification for the answer the Minister gave to the question I asked about the price of imported sulphur; and I can only conclude that, in conformity with the remainder of the answers to the vital questions I asked, the reply I received indicated that he did not want to

supply the information. Honourable members can draw their own conclusions from that, as I am sure the public outside will do. As I said, the Minister took about 10 minutes to reply to my remarks. It is a very important question and some of the arguments he used—

Mr. Nalder: According to *Hansard* it was just about double that period of time.

Mr. MOIR: There are two clocks in the House and I can assure the Minister that I can tell the time.

Mr. Nalder: My speech indicates that I took over 20 minutes.

Mr. Kelly: The interjections made up the extra time.

Mr. MOIR: There were a considerable number of interjections; and, as the honourable member for Merredin-Yilgarn said, they probably lengthened the time taken by the Minister.

The Minister stated there were 6,000-odd farmers who held shares in superphosphate companies in Western Australia, and as a consequence the increase would not worry them such a great deal. But what about the 20,000 other users of fertilisers who are not shareholders? They would not be cheered by the argument of the Minister.

He then went on to refer to the increase in the price of copper and zinc, and indicated the increase was £60, but the honourable member for Roe told us the increase was £50 a ton. So there is a difference of £10 between their figures. Later on I shall refer to some information which was supplied to me by the Minister in answer to questions relating to prices.

Reference was made by the Minister to the increase in the price of scrap copper which is exported from the State. He said certain restrictions had been placed on its export. I want to point out that the price of scrap copper has nothing at all to do with the price of copper ore which is used in fertilisers. It is unrefined cupreous ore, ground to a certain fineness, and then mixed with the superphosphate, without further treatment. The price of scrap copper has nothing at all to do with the price of copper ore used in the manufacture of fertilisers. I am at a loss to understand why the Minister used that in his argument.

Some honourable members opposite referred to the increase in the overseas price of copper metal. We are all aware of that, but I am just wondering what bearing it has on the price of copper additives used in the manufacture of fertilisers in Western Australia.

In his speech the Minister said today that he was quite satisfied the increases were justified; but he said the same thing when I asked him a question on the price of copper, and on the increased cost of the various types of fertilisers. I asked

him some questions on the 3rd September, in order to ascertain the price; then on the 8th September I asked whether he considered the increased prices to be justified, and he replied in the affirmative.

The question which I asked the Minister on the 8th September was—

- (1) Referring to question 21 on Thursday, the 3rd September, 1964, notice paper, is he satisfied that the price increases for fertilisers, as revealed in his answer, are justified, and on what grounds does he base his answer to (4) "that there is no reason to expect that manufacturers will increase prices beyond justifiable limits"?
- (2) Will he take action to have the price increases examined by a competent authority to ascertain if these price increases are justified?
- (3) If not, why not?

The reply of the Minister was—

- (1) Yes. The increase in the price of superphosphate is clearly justified. The cost of rock phosphate has risen by 13s. 6d. per ton. Two-thirds of a ton of rock phosphate is required to make one ton of superphosphate. The calculated increase in the cost of superphosphate should therefore be two-thirds of 13s. 6d. or 9s., which was the actual amount of the recent increase announced by the manufacturers.

Let me interpolate by pointing out that several honourable members stated in this debate today that the increase in the price of superphosphate, resulting from the increase of 13s. 6d. a ton for rock phosphate, was 8s. 6d. a ton. The other 6d. was due to the increased cost in the price of sulphur, from which sulphuric acid is made for the treatment of superphosphate.

The answers of the Minister to the other parts of my questions were—

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

The Minister considered the increases to be justified.

In the second part of that question I asked the Minister to appoint some competent authority, and he could have appointed anybody with the requisite knowledge to make the inquiries; but he refused because he considered the increases were justified. As a result of this I moved the motion which is now before us; because, if the Minister was not concerned about the increases, I thought it was time this House took cognisance of the situation by appointing a Select Committee.

When we examine the details of the increases in prices we find that they are very severe, although the Minister dealt only with the increase in the base price of superphosphate of 9s. a ton. In the list

we find that superphosphate copper mixture increased by £1 16s. 1d. a ton; superphosphate, copper, and zinc by £2 11s. 6d. a ton; superphosphate, copper, zinc, and cobalt by £2 11s. a ton; and there were varying increases for other types which are too lengthy to be dealt with in detail.

The honourable member for Avon, who was the next speaker on the Government side of the House, dealt with a lot of figures, and with the procedure adopted in the manufacture of fertilisers in other countries. Although his comments were very interesting they did not have any bearing on the motion. He described it as chemical jargon. Although his address was interesting I do not think it had any bearing on the motion.

Mr. O'Neil: It indicated the great deal of research put in by him on the subject.

Mr. Kelly: Apparently the honourable member for Mt. Marshall undertook the research.

Mr. MOIR: The contribution of the honourable member for Avon was in sharp contrast with that of the honourable member for Mt. Marshall, because the latter applied himself to the subject matter under discussion. He presented very illuminating figures; but evidently party discipline is stronger in him than his natural convictions.

At the beginning of his contribution the honourable member for Avon informed the House he had carried out extensive inquiries in order to satisfy himself that the correct thing to do was to oppose the motion moved by myself. That was a most amazing statement; because I would have thought that, representing a farming electorate as he does he would have undertaken extensive inquiries to ascertain whether or not there was merit in the motion, and whether there was a need for an inquiry to be made into the recent sharp increases in the price of superphosphate. He should not search around diligently for information to oppose the motion. Evidently his first thought was that the motion should be opposed at all costs, and he went to work to get the information to knock it off:

Mr. Gayfer: I admit it sounds better in your phraseology.

Mr. MOIR: I used the phraseology of the honourable member. If that was not what he intended then I am sorry for his choice of words.

Mr. Gayfer: If they were my words I had better not correct *Hansard*.

Mr. MOIR: The honourable member finished up on an equally peculiar note. He said that in view of the foregoing he felt the price of all the components was justified, and therefore he opposed the motion. It looks as though he was searching around for reasons to oppose the motion, and not for giving it logical support.

This is not a motion directed against the Government. If the Select Committee found that the prices were not justified it would not be a reflection on the Government. In my introductory remarks I said the inquiry could well find that the increases were justified; but the people had the right to know. I still maintain they have that right.

I did not rush in lightly to seek the appointment of a Select Committee, because these inquiries entail a considerable amount of work. I have had the experience of spending a great deal of time on one Select Committee which ended with negative results. At that time the Opposition was the Government, and a motion was moved by a member of the Country Party for the appointment of a Select Committee. We as the Government agreed to that motion, and that was how I became a member of the committee. I am well aware that these inquiries involve a lot of work, and impose a great burden on the members.

I do not seek the appointment of a Select Committee lightly, but I am surprised at the attitude adopted by members of the Government. I can understand members of the Liberal Party section of the Government not being concerned with the matter, because they have not any great knowledge of it; but it is a vital matter affecting the districts represented by Country Party members. I thought they would be very anxious for such an inquiry to be made, even though the apologists for the fertiliser companies might say afterwards, "You have had your committee of inquiry which found the increases to be justified, and all the criticism and doubts which have been raised were not justified."

The honourable member for Avon made another very peculiar statement when dealing with copper ore. Cresco Fertilisers have a production area as does also Mt. Lyell Cuming Smith. He said that they obtained only 10 per cent. copper and only 1 per cent. of that could be used. That is a most amazing statement, as I will indicate later on when quoting prices.

Mr. Gayfer: I said 10 per cent. of that is used, not 1 per cent.

Mr. MOIR: Ten per cent.?

Mr. Gayfer: Ten per cent. of that 10 per cent. material.

Mr. MOIR: I stand corrected. I accept that. As a matter of fact I misread my notes here because I have that.

Mr. W. Hegney: That is 1 per cent.—10 per cent. of 10 per cent.

Mr. MOIR: I have here the official prices paid to copper producers for their copper. I simply cannot follow the statement of the honourable member for Avon because if that 10 per cent. of 10 per cent. was all the recovery, the company would

suffer a severe loss in mining that ore, transporting it to the metropolitan area, processing it, and then using it in the super.

Mr. Gayfer: The material is only 10 per cent. quality, and they can only use 10 per cent. of that to make up the whole. They have to use 90 per cent. of other additives to bring it up to the 100 per cent. necessary.

Mr. MOIR: Yes. I am glad the honourable member for Avon has clarified that part of the statement to his satisfaction; but I am afraid that when I read out the various components of fertiliser, he will be thinking again about that statement.

The only helpful note he struck—and it was against his previous argument—was when he said that if another company could be attracted here on a co-operative basis, it would be beneficial. Is that not an admission that an improvement can be made? Is that not an admission that the price of super could be lowered here if another company came here? Another honourable member made the same suggestion. Therefore, although opposing this motion, they must feel advantages would be gained by the users of fertilisers if there were more competition in this field.

The speakers against this motion did not deal at any time with the cost structure, or the manufacturing costs. I will except the honourable member for Mt. Marshall because he did produce figures showing something of what applied to the cost structure. However, we have been given no figures indicating the cost structure and the capitalisation of these various bodies and how they operate. Nor have we been supplied with their profits. I thought the Minister would have supplied this information, but he did not.

The honourable member for Roe, of course, mentioned that the price of imported copper additives had increased £50 a ton. That was £10 under the price the Minister quoted. He also suggested that upgrading of the lower grades of copper ore produced in this State should be undertaken. I have some information on that, and a very bitter complaint by copper producers that this has been discontinued. At one time a lower grade of copper was mined and upgraded, but in 1963 that practice was discontinued and a grade lower than 10 per cent. was not accepted.

I will read a letter later from a copper producer who states that he has many hundreds of tons of lower-grade copper—lower than 10 per cent.—which could have been used but for the 10 per cent. figure which has been stipulated. The honourable member for Roe certainly touched on something which is very important, because we could obtain more of our copper supplies from the State if better prices were paid and the copper could be upgraded.

A certain amount of upgrading takes place now because even the 10 per cent. ore is upgraded to 20 per cent. before it is used. I presume it is upgraded by adding bluestone, which is imported. But again they are only very small amounts when we consider the overall prices and the total amount used in the manufacture of a ton of super. That is what is so very important. It is not whether we are paying so much a ton for the product, but just how far that ton goes.

Although the Minister and the honourable member for Roe have indicated the very steep increases in the cost of imported copper, those increases have not applied to the local product. As a matter of fact a reduced price has been paid for local copper. The figure in 1963 was considerably lower than in 1962 and the return to the producer is very small indeed, as I will demonstrate with the information I have available. From the official price lists issued by those who produce this product, it can be ascertained that there has been a decrease in the price paid to the local producer, and the cost of local copper ore is far and away below the price of the imported copper.

Mr. Gayfer: How does the quality compare?

Mr. MOIR: There is, of course, a higher percentage of copper in the bluestone, depending on the grade. I have here from a milling department, the purchase schedule, operative as from the 1st August, 1962, for copper and cupreous ore for fertilisers. It shows that there was a minimum of 8 per cent. for bulk ore assay. At that time they were taking copper ore of the minimum grade of 8 per cent. and the price I have here is free on truck at the railhead. Therefore the producer has to pay the rail freight to Perth.

The producer who supplied me with this information said he had to pay £3 17s. 6d. a ton. I have taken out quite a lot of figures on that, and his return, especially on the lower grades of copper ore, is very low indeed; and the amount of money the miller gets is very substantial in relation to what the producer gets. I have information to indicate that it is rather exorbitant. These are matters which a committee of inquiry would have brought forth, and I am sure they would have been of considerable interest to the people who have to purchase these fertilisers.

We also find that copper producers have to sell through these milling companies, of which I understand there are two operating here. The fertiliser companies will not buy direct from the producer. The producer to whom I have referred was prepared to install a plant to produce his own ore and upgrade it, and sell it direct to the fertiliser people. But they would not buy from him. I have here a letter

from the Cresco Fertilizers addressed to this gentleman and dated the 12th August, 1964. It reads—

Dear Sir,

Replying to your letter of the 2nd inst., we advise that the position with regard to local Copper Ore is still insecure and we would not advise you to go ahead with your Mill.

The current proposed prices are now 67s. 6d. for 10% Ore, rising by 6d. for every 1% to 72s. 6d. for 20% Ore.

We are not in a position to give you an order as our capacity will be fully extended to absorb the quantity of Ore already on hand at our regular supplier's plants.

Is there not something wrong there? I think honourable members will agree that something is wrong when they will buy the imported article in preference to the locally produced article. It seems rather extraordinary to me.

All the queries of quality, and that sort of thing, will assume a different complexion if I read another letter from this gentleman in which he quotes what one of the super manufacturers said to him about quality. Although this man was prepared to install a plant—he owns a mine which could be a very large producer of copper; and it is a good grade, too—he had a direct refusal. He told me that the other manufacturing company sent him a similar letter refusing to buy direct from him, although he could sell all of the copper he produced to the milling company at, of course, the milling company's price.

From the price list of the milling company as at the 1st August, 1962, we find that it was purchasing 8 per cent. copper at 33s. 3d. a unit, or a return of £13 6s. to the producer, less the price from the railhead. The 9 per cent. copper was 38s. 3d. a unit or £17 4s. 3d. a ton. A unit is a per cent. The price of the 10 per cent. copper in that year was 46s. a unit and £25 6s. a ton. The 20 per cent. copper, which is the grade which is put into a ton of super, was 62s. 6d. a unit or £62 10s. a ton. That is vastly different from the £400 a ton quoted a while ago.

Several honourable members interjected.

Mr. MOIR: I hope the information I am giving the Country Party members here—

Mr. Gayfer: Is correct!

Mr. MOIR: —interests them. It is correct because I am quoting from the printed sheet.

Mr. Hart: The 20 per cent. local ore you are talking about still has to be mixed with the imported bluestone.

Mr. MOIR: Not the 20 per cent. I will read the Minister's reply later in which he sets out quite clearly the percentages and the grades.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. MOIR: Before the tea suspension I was dealing with the prices paid in 1962 by the milling department of the British Metal Corporation (W.A.) Pty. Ltd., and I was quoting from the official price list issued by that firm to copper producers.

I do not intend to enumerate all the prices quoted, but shall mention the basic ones. I think I had got to the point before tea of mentioning 10 per cent. copper at 42s. 6d. a unit, or £21 5s. a ton, and 15 per cent. copper at 54s. 9d. per unit, or £41 1s. 3d. a ton. Then I come to 20 per cent. copper at 62s. 6d. a unit, or £62 10s. a ton. This is all free on truck, railhead, which means that it is the nearest railhead to the producer and he has to put it on the truck.

Dealing with the argument that the price of copper ore has increased we find that the opposite is the case, because whilst those were the prices in 1962, the price list put out by the same company in August, 1963, shows a reduction in the price to the producer. The company is no longer taking copper ore below 10 per cent. grade, and the 10 per cent. grade is 39s. a unit, or £19 10s. a ton as against the price of 42s. 6d. a unit, and £21 5s. a ton in 1962. The 15 per cent. copper is 49s. 9d. per unit, or £37 6s. 3d. a ton as against 54s. 9d. a unit and £41 1s. 3d. a ton. The 20 per cent. grade is 57s. 6d. a unit, or £57 10s. a ton as against the amount of 62s. 6d. a unit and £62 10s. a ton. So there has been a reduction in the price paid by the milling company to the producer.

I also have a list of the prices paid by Cuming Smith & Mount Lyall to the milling company. This is rather an interesting document because we find the price for 5 per cent. grade is 58s. per unit, and then it runs in points; i.e., 5.1, 5.2, and so on. For the purpose of comparison I will quote the price of the 10 per cent. grade which is 65s. per unit. The 15 per cent. grade is 75s. per unit, and the 20 per cent. grade is 77s. 6d. There is quite a big difference between those figures and the prices paid to the producer; and the prices that the fertiliser people are paying are borne out by the answer to a question I asked the Minister for Agriculture on the 13th October last as follows:—

(1) What amounts of—

- (a) Copper ore;
- (b) imported bluestone.

have been used as additives to superphosphate fertiliser by manufacturers in this State in each of the last three years?

- (2) What has been the price paid by the manufacturer for these minerals respectively in each of these years?

The following is the answer to question No. (1):—

- (1) Exact information on this question is not available. However, cupreous ore was used to supply approximately 65 per cent., 30 per cent., and 55 per cent. of the copper used in fertilisers in 1961-62, 1962-63, and 1963-64 respectively. The total use of copper in these years was equivalent to approximately 4,000 tons of bluestone.

I hope Country Party representatives are taking notice of the high percentages of the cupreous ore which is produced in this State and which was used in the manufacture of superphosphate containing these additives. In reply to my second question the Minister had this to say—

- (2) Information on the price paid by the fertiliser manufacturers for imported bluestone is not available to the Government.

That is an important statement and a most surprising one in view of the fact that the Minister said, both in answer to my questions and in reply to the motion today, that the price increases were justified. Here we find that he does not know the price of one of the important components of this fertiliser. He admits he does not know the price of imported bluestone. Although we are told how much the increase is, the Minister cannot supply the cost of this important mineral. He went on to say in his answer—

The prices paid for cupreous ore over the last three years are as follows. Ores containing less than 10 per cent. copper are not now normally accepted by the manufacturers.

Percentage Copper	Price per Unit (1% of copper per ton)		
	1961-62 s. d.	1962-63 s. d.	1963-64 s. d.
5	65 0	58 0	
10	65 0	71 0	67 6
15	65 0	75 0	70 0
20	65 0	77 6	72 6
25	65 0	80 0	72 6

The SPEAKER (Mr. Hearman): The honourable member has another five minutes.

Mr. MOIR: Thank you, Mr. Speaker. The figures I have quoted show a reduction in 1963-64 on the year 1961-62.

Mr. Nalder: What were the world prices then?

Mr. MOIR: My time is limited, and I have just explained that the Minister, in replying to my question, said he could not supply me with the world prices of bluestone. I am now quoting the figures he supplied to me of the prices of the local cupreous ore that is used as a copper additive. They are contained in the reply

to his question which I have just quoted. Those figures, of course, destroy the argument that the price of copper has been increased to such an extent that the fertiliser price increases are justified.

We see that the amount of cupreous ore that was used was 65 per cent., 30 per cent., and 55 per cent. in the preceding three years; and we find, of course, that only a small amount of copper is used in the manufacture of super.

In answer to a question dealing with the quantity and grade of this mineral, the Minister said—

Superphosphate and copper fertiliser is guaranteed to contain one per cent. of copper. The copper is added as a mixture of copper ore and bluestone. The proportions of copper ore and bluestone have been varied according to supplies of copper ore. 1.05 cwt. of a blend containing 20 per cent. of copper is mixed with 18.95 cwt. of superphosphate. One company has a registered superphosphate and copper sulphate fertiliser guaranteed 1.25 per cent. copper. This is obtained by mixing 1 cwt. of bluestone and 19 cwt. of superphosphate.

So we see there is only a very small quantity of copper used.

With regard to local copper, the producers are having the utmost difficulty to have their product purchased by the fertiliser companies. I read a letter received by one producer from a fertiliser company saying it could not purchase his product; and that was when he proposed to put a mill on his mine to grind the copper in order to sell it direct to the superphosphate company.

We find there is a big difference in these prices, because 10 per cent. copper is paid for by the fertiliser manufacturer at 71s. per unit and only returns 39s. a unit to the producer, or £19 10s. a ton. The miller of that ore receives £35 10s. a ton, a difference of £16. So we see that for 10 per cent. cupreous ore a miller receives very close to what the producer receives, and the producer has to bear all the costs of mining the ore and transporting it to the railroad.

We find that for 15 per cent. copper the producers are paid 49s. 9d. per unit and £37 6s. 3d. a ton, and the fertiliser companies pay the miller £35 a ton. The milling company receives £19 8s. 9d. over the costs of handling the ore, and putting it through the mill. Their profit must be considerable.

We find that the return to the producer for 20 per cent. grade copper is 57s. 6d. per unit, or £57 10s. per ton, and from the fertiliser company the miller receives 76s. per unit, or £77 10s. per ton; a difference of £20 over and above what is paid to the producer of that ore. So one can understand the feelings of a producer who is

capable of large production and desirous of placing a mill on his mine and railing his product direct to the fertiliser company.

However, as we have seen from the letter I have quoted, the fertiliser company refuses to accept his product, on the ground that it is receiving plenty of ore from the milling company with which it already has a contract. So it can be realised that there was more cupreous ore available from the producers than the fertiliser company was prepared to accept. The cupreous ore is equally as good as the imported bluestone. This ore is of lower strength, and I understand the imported copper is used only to build up the grade when the cupreous ore is used so that the desired percentage can be obtained. Of course, if the cupreous ore were 20 per cent. quality it would be immediately acceptable to the fertiliser company and would go straight into the manufacture of superphosphate together with the rubbish that is used to build up the quantity.

The SPEAKER (Mr. Hearman): The honourable member's time has expired.

Extension of Time

Mr. H. MAY: I move—

That the honourable member's time be extended.

Motion put and passed.

The SPEAKER (Mr. Hearman): The honourable member may proceed.

Debate (on Motion) Resumed

Mr. MOIR: I thank the House for the extension of time. I will not take up any more time than is needed to acquaint the House with the facts I think it should know. I propose to read excerpts from a letter which I have received from a producer. There are some parts of it which I will not quote. The letter reads—

Thanking you for your letter of 27th August re copper ore for fertilisers. I think it will be very hard to give all details in letter, but will try to supply you with main points.

This letter is dated the 3rd September, 1963. Continuing—

In first place Mr. Griffith's answer to your question No. 5 is not correct.

That was in relation to questions I asked on the grade being cut down below 10 per cent., and the Minister's answer was that the normal practice would be followed and that the grade of 10 per cent. and upwards would be taken. Of course, what this gentleman was complaining about was the refusal to take a grade lower than 10 per cent., which had been the practice previously. His letter continues—

I have proof of that upgrading of 10 per cent. now. Where it was 5 per cent. minimum before, is definitely

affecting small producers and many hundreds of tons of below 10 per cent. will be lost.

To my way of thinking milling companies in Perth are working with fertiliser people and having backing from Liberal Party to exploit small producers in the field. I am enclosing some price lists which I would like returned when you take copy of same. You can see for yourself, the milling companies charging up to £13 a ton for milling alone. When the minimum of 5 per cent. was accepted by fertiliser people milling companies would not accept below 8 per cent. On account of that I made application to Mines Department for financial assistance to put a ball mill on and I was promised full support from champion of goldfields Mr. Burt. M.L.A., but was refused by Messrs. Griffith and Telfer. When I decided to carry on under my own power and put a ball mill on and mill myself I am advised by Cresco (letter enclosed) they cannot buy from me because they are getting supplies from their existing sources. All my technical advice I got from Mr. Keith Dodd, Mining Engineer, working with Garry Agnew, Bible House, Perth. I think he would be very pleased to discuss these problems with you.

I mentioned also in my letter before that Whim Creek or Japanese company will be out of oxide ore within 12 months unless a miracle happens. In the meantime Mr. K. Dodd could give you more information on this.

In a previous letter this man stated that, in his opinion, the reason that the grade had been cut down was that the company operating at Whim Creek had entered into an undertaking to supply the bulk of the requirements of the fertiliser company. He blamed that agreement for the grade of the ore being increased. In that letter he stated that the Whim Creek people would not be able to supply the quantity of cupreous ore required by the fertiliser company because it did not exist. I had no means of verifying that, but in his second letter he stated the Whim Creek company would not be able to operate for more than 12 months. He was not exactly correct, because it operated for only seven months. However, he was perfectly true in his assertion that the company did not have the ore as claimed, and that the fertiliser company in relying on supplies from the company operating at Whim Creek had been let down badly.

However, in the meantime the small producers had gone to the wall and had ceased production, and therefore there was

not the required amount of locally-produced cupreous ore coming forward. In his letter, this man went on to say—

In my first letter I stated also that there are 15 to 20 small producers in the field which have kept the industry going up till now. This upgrading will affect them seriously and squeeze them out. I mentioned also about milling charges. They are terrific. Small producers are getting nothing for themselves but farmers have to pay a high price for fertilisers.

At present I myself can produce 10 per cent. and better, but at the same time I am leaving tons and tons of 6 per cent. copper for mullocking. This upgrading is definitely worked with milling companies which have the monopoly. Because a Mr.—

He mentions a name at this stage, but I will not quote it. Continuing—

—a fertiliser representative told me when I asked him "What was the minimum accepted by them." He told me one per cent. If we have higher grade we still have to put some other rubbish with it to bring the trace element suitable for farmer.

I milled a couple of parcels of copper with Mr. Parkinson at Kunnamina. He charged me £5 per ton milling. Where he is 700 miles from Perth. If I had my own ball mill I could mill it for £2 per ton, no more. Personally I think the whole business needs a thorough investigation by people who know what they are talking about.

That is a genuine complaint from a producer which has certainly been backed up by facts. The fact which he has supplied to me are official lists. He has stated that at a distance of 700 miles from Perth he could treat the ore for £5 per ton, and yet the lowest charge for treating the ore at the moment is £10. So there is something definitely wrong when there is such a big difference in the cost of treating the ore. He goes on to say that if he had his own mill he could treat the ore for £2 per ton.

This is a man who has been engaged in mining for all of his working life. He is a very experienced miner and one who has operated his own mines during his lifetime. He is a man I would take a lot of notice of because he has proved himself to be a very successful miner and, when operating a mine, he employs many workers. I think the statements he makes are extremely pertinent to the question before the House.

The honourable member for Pilbara handed me a letter this evening containing a complaint from a copper producer in his district. The letter is written on

similar lines to the one I have just quoted, and is dated the 31st October, 1964. It reads as follows:—

Dear Mr. Bickerton,

I delayed writing to you on the question of the price of copper ore for the fertiliser trade which we discussed when you were in Hedland some time ago as there was some talk of a price increase. This has proved to be only idle talk.

Evidently, there was some talk in Hedland of an increase in the price of copper but, as this correspondent has stated, it was only idle talk. Continuing—

As you will no doubt be aware, the price of copper ore was abruptly reduced in August, 1963, by £4 per ton and more into the higher grades. This, I believe, was because of the large amount which was promised by Depuch Shipping & Mining Co. from Whim Creek, and of course this never came to pass.

Copper ore for the fertiliser trade of 10 per cent. CU is only worth £16 10s. per ton f.o.b. Hedland—

That coincides with the statement made by the other man who is operating in the Murchison district. Continuing with the letter—

—15 per cent. CU is worth £34 6s. 3d. per ton f.o.b. Hedland, lump ore, of course, to BMC. These prices bear no relation to the world market price of copper—

This is what I emphasised earlier in my speech. These prices have no relation to the world price of copper, which is a totally different thing. The letters "BMC" would stand for the British Metal Corporation. This letter continues—

—as today copper is being quoted at more than £500 per ton as mineral sterling).

It is only when one can get over the 20 per cent. CU that it comes anywhere near its value, 20 per cent. ore being worth £54 10s. per ton f.o.b. Hedland. 25 per cent. ore is £72 6s. 3d. per ton f.o.b. Hedland. But the high grades are hard to come by without expensive plant being installed. Surely from an economic point of view alone it would be wise for the Government to use more of our own copper ore for fertiliser rather than import it. To use more would be to get more and this means a more remunerative price.

He then goes on to say that other minerals offer better returns than copper, proving, of course, that copper mining is not remunerative, and that they would be better employed on something else. I now wish to deal with the statement made that the Government should encourage the production of copper.

I have here copies of letters written by The Hon. D. P. Dellar, M.L.C., to the Minister for Transport requesting payment of a subsidy on the cartage of copper ore. That request was refused. Mr. Dellar has written letters to the Minister applying for assistance, pointing out that these men had been carting copper ore over long distances, and had found that it was a financial burden. He added that as the Commonwealth Government was subsidising the cartage of pyrites to Norseman, he considered that the State should be able to grant some assistance to men who were carting copper ore.

The Hon. D. P. Dellar could also have added that the State Government is granting substantial subsidies by way of freight concession on the railage of pyrites and stressed that if it is good enough for the State Government to give support to those engaged on the production and cartage of pyrites for the manufacture of superphosphate, surely it is only reasonable that similar concessions could be extended to the producers of cupreous copper ore. The honourable Mr. Dellar said he did not think the request unreasonable. On the 22nd September the Minister for Transport replied as follows:—

With reference to your letter of the 27th August. I desire to advise that although the Department of Transport has received requests from time to time to subsidise the transport of minerals, the Government as a matter of policy has not been prepared to provide funds for this purpose.

There are many areas within the State from which large quantities of minerals are transported long distances by road, and if a subsidy was approved in respect to the cartage of copper ore from Kathleen Valley to Leonora, the Government could not resist claims for a variety of minerals from other areas.

It is therefore regretted that I am unable to agree to your request.

Would it be preferable to expend some thousands of pounds to subsidise cartage from remote areas, or spend money which we should not be spending at the North West Cape? The honourable Mr. Dellar felt very strongly about this, and on the 8th October he wrote in the following terms to the Minister for Transport:—

I refer to your letter of 22nd September, 1964 in reply to my request of the 27th August, 1964 seeking assistance for a subsidy on the cartage of copper ore to the nearest rail head.

I was naturally disappointed that you were unable to agree to my request for this assistance.

I fail to follow your Government's attitude and policy in refusing to assist this industry. In your letter of 22nd

September, 1964 you stated that the Government, as a matter of policy, has not been prepared to provide funds to subsidise the transport of minerals.

As I pointed out in my letter of the 27th August, 1964, the Commonwealth Government is subsidising the cartage of pyrites for the use of fertiliser. May I draw your attention to the fact that copper is not just a mineral, but is also a fertiliser, and is used for the same purpose as pyrites. Therefore, I consider that the people who are battling to maintain this industry are worthy of assistance.

Also, as this State of ours is badly in need of fertiliser for primary development, I request that this application be reviewed and given favourable consideration.

An early reply would be appreciated.

I think that shows that everything that should be done is not being done to assist these people. Some very peculiar things are happening. We are told of the imported price of sulphur, and the Minister flatly declines to allow the House to know what it is, saying, in effect, it would be a breach of confidence if he disclosed the price. I cannot follow that argument at all. In the case of pyrites which are produced at Norseman, and which are railed from Norseman to the metropolitan area there is a very high freight subsidy paid by the State. On the other hand we have the extraordinary position of the fertiliser works at Esperance—about 120 miles from Norseman—not using Norseman pyrites: it is going to use imported sulphur.

Can anybody imagine anything more ridiculous than that? I certainly cannot imagine a more ridiculous position than the subsidising of the railage of pyrites to the metropolitan area for use in fertiliser manufacture in the metropolitan area while at the same time there is a fertiliser works at Esperance 120 miles away from the seat of the supply of pyrites. Yet we find this works will not use those pyrites, but will use imported sulphur. The position is absolutely ridiculous.

We have not been given much information about the examination of fertiliser works. We did however receive information from the honourable member for Mt. Marshall, and this was very valuable. We find that the shareholding in these companies can be a very lucrative speculation. I would like to refer to the share prices of the Cresco manufacturing company and the Cuming Smith manufacturing company. Here let me say that these companies appear to be bound together, because if we trace the ownership and shareholding of these manufacturing plants we will find that they are interwoven. This is also borne out by the fact that they arrive at exactly the same price for their product.

Mr. W. Hegney: That is what is called conscious parallelism.

Mr. MOIR: The honourable member for Mt. Hawthorn evidently has a name for it. The shares of the parent company are really quite valuable, and anybody who got in on the ground floor with these shares would be better off than those who hold shares in an oil-mining company. We find that in 1963 the parent company—Cresco—in Sydney reached a high of 67s. 6d. for its £1 share, while the low was 27s. 6d. In 1964 the high was 61s. 6d. and the low 47s. 6d.—these are ex-dividend. The price today is 52s. per share. In the case of Cuming Smith—Mt. Lyell, the £1 share in 1963 was 87s. at the highest and 63s. at the lowest; again ex-dividend. In 1964 the high was 101s. and the low 88s. ex-dividend. Today the share is 98s. So we have the £1 share costing 52s. and 98s. today which makes them very lucrative propositions. One could not get a better return from an oil-drilling company that had struck oil which, fortunately, has been the case in Western Australia to a remarkable degree. So it is a most lucrative business holding shares in a super company.

There has been a note struck in this debate both by the honourable member for Avon and the honourable member for Roe who, while they opposed the motion, expressed the opinion that there would be an improvement if another fertiliser-manufacturing company could be induced to set up operations here. This shows there is some doubt in their minds as to whether the farmer is getting his fertiliser at an economical price in this State.

The honourable member for Mt. Marshall instanced the price in other States and pointed out that it was considerably lower in Victoria. We know that in Victoria there is a company operating on a very competitive basis; it is a co-operative company which has forced the prices down. To those people who say that the prices are justified I would point out that the Commonwealth Government took action in New South Wales to have the prices reduced there. We must remember that the Commonwealth Government has given a £3 per ton bounty to which I referred in my introductory remarks. I said it was most laudable of the Commonwealth Government; but of course, of what use is it for the Commonwealth Government to pay out £3 a ton by way of bounty if this is to be swallowed up by a price increase by the fertiliser companies? That is what is going on, particularly in relation to fertilisers that have mineral additives.

That type of fertiliser is, of course, largely used in Western Australia, particularly in the area of Esperance which I represent, and in all areas where there is light land being brought to a point of

fertility. So it is very important. The fact that the Commonwealth Government saw fit to step in in New South Wales and reduce the price shows that it considered that in at least that State the users of fertilisers had been overcharged for the product.

I have not heard of anybody taking action to direct the attention of the Commonwealth Government to the position in this State. It could be that there has been an inquiry and it is considered that the price is justified. On the other hand there may not have been an inquiry, and it is possible that more noise was made in New South Wales over the increased price of super than is being made here by the responsible people. Of course, we will never get an inquiry while people of the calibre of those who sit on the other side of the House endeavour to justify these price increases without any foundation whatever.

I say that quite emphatically—they have no justification at all. Figures have been produced here from time to time, and the Minister has refused to supply information in answer to questions. I cannot see that he had any logical reason for refusing. He also said that he did not know the answer when he was asked the price of some of these imported commodities. If he does not know the answer, how can he say the increases are justified? He is completely in the dark, and all he is doing is accepting the word of the super manufacturers that the price increases are justified. He then comes here and tells us that they are.

Not only does he do that, but he evidently convinces the members of his own party that the increases are justified, in my opinion against their better judgment; as is instanced by the honourable member for Mt. Marshall whose speech was in complete justification of an inquiry into the price structure of fertiliser but who, because his party was voting against it, said he would go along with it.

After the Minister for Agriculture had refused to supply me with information for which I asked and which request I considered perfectly justified, the honourable member for Mt. Marshall asked a question based on the Minister's refusal and he received what I consider a most surprising answer. I asked my question on the 15th September, 1964, and the member for Mt. Marshall asked the following question on the 6th October, 1964:—

- (1) In reply to question 30 asked by the member for Boulder-Eyre on the 15th September, 1964, he said that no information on actual prices paid for certain fertiliser additives were available.

(2) Is the House to deduce from this that the fertiliser manufacturers refuse to disclose the prices being paid by them for copper, zinc, and other additives?

(3) Is it too much to ask that the manufacturers produce documentary proof which would evidence the prices being paid for the materials in question?

The Minister replied—

(1) Agreed.

(2) The fertiliser manufacturers have not been asked to supply details of the prices paid for ingredients used in superphosphate mixtures. They have provided information concerning the changes in market prices for these materials.

(3) Yes.

The answer to that question shows the Minister did not have this information because he had never asked for it.

The SPEAKER (Mr. Hearman): Order! The honourable member's time has expired.

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

Ayes—18

Mr. Bickerton	Mr. D. G. May
Mr. Brady	Mr. Moir
Mr. Davies	Mr. Norton
Mr. Fletcher	Mr. Oldfield
Mr. Hall	Mr. Rowberry
Mr. Heal	Mr. Sewell
Mr. W. Hegney	Mr. Toms
Mr. Jamieson	Mr. Tonkin
Mr. Kelly	Mr. H. May

(Teller)

Noes—20

Mr. Bovell	Dr. Henn
Mr. Brand	Mr. Hutchinson
Mr. Cornell	Mr. Lewis
Mr. Court	Mr. I. W. Manning
Mr. Craig	Mr. W. A. Manning
Mr. Crommelin	Mr. Mitchell
Mr. Dunn	Mr. Nalder
Mr. Gayfer	Mr. Nimmo
Mr. Grayden	Mr. Wild
Mr. Hart	Mr. O'Neill

(Teller)

Pairs

Ayes	Noes
Mr. J. Hegney	Mr. Guthrie
Mr. Evans	Mr. Burt
Mr. Curran	Mr. Williams
Mr. Graham	Mr. O'Connor
Mr. Rhatigan	Mr. Runciman

Majority against—2.

Question thus negated.

Motion defeated.

BILLS (2): RETURNED

1. Pharmacy Bill.
2. Friendly Societies Act Amendment Bill.

Bills returned from the Council without amendment.

STATUTE LAW REVISION BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr. Brand (Premier), read a first time.

MUSEUM ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 4th November, on the following motion by Mr. Lewis (Minister for Education):—

That the Bill be now read a second time.

MR. HALL (Albany) [8.22 p.m.]: The measure before the House is commendable, but I think we have to take cognisance of the fact that we are establishing something in this State which has not been introduced in any part of the Commonwealth. Therefore we will be breaking new ground. The preservation of historical wrecks and other historical data, including buildings, will be of great assistance to posterity, particularly in regard to education. The preservation of these things will be a memoir of what has happened in the past.

I have given the measure some thought in the short time I have had at my disposal, as the Bill was only introduced at 5.28 p.m. on Wednesday last. At first glance it looks an innocent piece of legislation, but as one goes through its clauses, one finds that the measure could have quite a legal impact upon the public in general. No doubt, some people today could be accused of being destructive, but we must give them credit also for their adventurous spirit in seeking these wrecks.

We owe a great deal of credit and gratitude to our skindivers of this generation because, although these wrecks were there in the past, we did not have the know-how to find them. However, with the advent of skindiving, pressure systems, and air-changing, skindivers have been able to descend to a considerable depth. That is borne out by the research that is done by skindivers on the marine side, as well as the skindivers who have been searching for wrecks.

Probably the Minister is quite sound in moving for the protection of certain types of wrecks which are contained in the schedule. However, there are many about which we know nothing; and research will prove conclusively and decisively that they lie on the bottom of the ocean. History will be revealed; and history books will benefit by this research.

I am seriously of the opinion that the measure before the House is not valid; and I think we should take note from the Minister's speech that the Parliamentary Draftsman had the same doubt as to what might be the consequential effect if the

legislation were passed. I refer to the latter part of the Minister's speech in which he said—

The power of the State to legislate on the custody and control of historic wrecks has been thoroughly examined, and it is believed that none of the provisions of this Bill conflicts with Commonwealth law. However, to ensure further that no conflict arises the Parliamentary Draftsman has inserted a severability clause so that should any provision be *ultra vires* the legislative powers of the State the whole Bill will not be invalidated but only those clauses which were in conflict with Commonwealth law.

The Parliamentary Draftsman has inserted a severability clause. In other words, it is an extraction of the effects from this particular Bill, if it is passed, should it be in conflict with Commonwealth law. As I go through the clauses in the Bill I hope to prove that quite a good deal of the matter is not legally before us. I will leave that for the moment, because I wish to make some reference to the historical background.

I have no wish to speak in condemnation of the measure; it is only the legal aspect that is worrying me at the moment. Historical preservation for posterity is commendable; and I propose to quote from a book entitled, *Sailors' Ghosts*, which is obtainable from our library. It is as follows:—

A few years previously another historical revelation had been made. A native fishing in the reef in shallow water off the mouth of the Murchison River found about 50 coins, a number of pieces of silver of irregular size branded on both sides with a cross, a heart-shaped brass keyplate and a piece of what might have been a stone jar bearing part of a crest or maker's stamp. A large silver coin about the size of a present day Australian five-shillings piece and a brass tray about 2 feet by 18 inches with a spout at one corner were also found and the largest trophies of all were the breeches of two cannon. One of the coins bore the date 1711 and the word "Zeeland".

Dutch relics, that can be claimed with some certainty—but relics of what?

So we find that many years ago an historical writer, by the name of Malcolm Uren, delved into this particular subject which we are discussing now.

I would like now to quote a statement made by the Historical Society at Albany in reference to the old gaol. It is as follows:—

Most of the building was built in 1872, and opened 1873, but the date of this stone part and the old brick section to the east of it is not known. So

far, no records have been located at the Archives of the P.W.D. It appears in a photograph taken by Mr. Chester in 1858.

So we find that from the preservation of things of historical importance we gain knowledge of the history of Western Australia; and this legislation will preserve the historical significance of shipwrecks along our coastline.

There is another aspect which we should consider when we are speaking about the preservation of wrecks. I am not referring to those people who come out on a Sunday morning after a Saturday night, but I am referring to the character of Australia, to the Australian way of life. I have in mind what we term a "Sentimental Bloke". He is fast disappearing from the Australian scene.

The knowledge gained from the wrecks around our coastline is of tremendous value from an educational viewpoint; and it is of value in the study of ocean and tidal effects. The Minister should look at that aspect. He is, after all, asking for records for marine purposes. There is a need for both historical and oceanographic records.

Reference was made to hostility. When anyone unearths gold, we get a great movement forward; and there is a rush going on at the present time to capitalise on wrecks. There are factions and disputes between various groups as to the ownership of a wreck and, from a technical point of view, it is hard to say who is the owner.

I think this is a commendable effort on the part of the Minister. The following appears in the Bill:—

This Act shall be read and construed subject to the limits of the legislative powers of the State and so as not to exceed those powers, to the intent that, where any enactment hereof, but for this provisions would be construed as being in excess of those powers, it shall nevertheless be a valid enactment to the extent to which it is not in excess of those powers.

In my view, the draftsman was quite timid in his approach to the subject. The Minister, in his speech, referred to the Wreck Act, and the fact that the Commonwealth had taken over as receiver of wrecks. Under the Wreck Act that duty was taken over by the customs authorities. The Commonwealth navigation authorities are now the people responsible for receiving wrecks. The Bill could have been better presented from a legal aspect, and the Commonwealth navigation authorities, as receiver, could have been approached to receive the wrecks and then invest them back in our Museum Board as agents for their welfare.

Such a move is still possible. We have the necessary legal brains in the State. It is obvious that we have no receiver under State legislation because the duty which was formerly undertaken by the customs authorities has now been taken over by the Commonwealth. Under the Navigation Act the Commonwealth has the power to be the receiver of wrecks. I repeat that the receiver should first receive the wrecks and then invest them back to the Museum Board. A search into the Wreck Act and into the Navigation Act will bear out that statement. Legal people who investigated this matter should have gone into this aspect more thoroughly.

Mr. Dunn: What date is the Wreck Act?

Mr. HALL: We could go back to 1887. However, I propose to read a portion of the Navigation Act of 1912-1950. It reads as follows:—

"Territory under the authority of the Commonwealth" includes any territory governed by the Commonwealth under a Mandate:

Any reference to failure to do any act or thing includes a reference to refusal or neglect to do that act or thing.

7. A ship shall be deemed to be engaged in the coasting trade,—

And so on. I will not carry on along those lines, because I can see that Mr. Speaker is bored.

Mr. Bovell: He is not on his own!

Mr. HALL: A further portion of the Navigation Act reads as follows:—

296. (1) Where any ship is wrecked, stranded, or in distress at any place on or near the coast of Australia or any tidal water within Australia, the receiver for the district shall proceed thither, and upon arrival shall take the command of all persons present, and give such directions to each person as he thinks fit . . .

Further on, in clause 297, it says—

297.—(1) The receiver may, with a view to the preservation of shipwrecked persons or of the wreck—

- (a) require such persons as he thinks necessary to assist him;
- (b) require the master of any ship near at hand to give such aid with his men or ship as is in his power;

We can see that under the Commonwealth Act the receiver has extensive powers. Clause 302 reads—

Where any person—

- (a) finds or takes possession of any wreck within the limits of Australia, or

- (b) having found or taken into possession any wreck outside Australia, subsequently brings it within the limits of Australia,

he shall give notice to the receiver,

The penalty for that is £100. The Act goes on to say—

If any ship is wrecked, stranded, sunk, or abandoned on or near the coast of Australia, the Minister shall have, in regard thereto, the following powers:—

- (a) To require the owner thereof, by notice in writing, to remove the wreck within a time specified in the notice, or give security for such removal to his satisfaction.

If any portion of a ship is removed without the sanction of the receiver, the receiver may take action and the penalty is £100.

Mr. O'Connor: Is there a receiver in this State now?

Mr. HALL: No. There has been no receiver since the Commonwealth took over. The customs authorities used to undertake that duty. The Commonwealth receiver was the right person to approach in regard to this legislation. I repeat that he could receive the wrecks and then appoint the Museum Board as agent. If this Bill is passed there will be impositions on people. People have taken articles from wrecks and other people have purchased them. There is an example of that in this evening's *Daily News*. The heading is, "Many Have Relics of 'Dragon'," and the item reads—

About 4,000 coins from the wreckage of the Gilt Dragon are believed to be in circulation throughout Australia, a Victoria Park coin collector said today.

I wonder how many people have treasures in their homes which have come from the "Gilt Dragon" or from some other "Dragon." The following appears in the Bill:—

Where a person has in his custody or under his control any property that belonged to or was taken or recovered from any historic wreck—

The Minister mentioned the interpretation of "historic wreck" as referred to in the schedule. In the schedule there appear the names of ships, the year they were wrecked, and the location of the wrecks. The following is an example:—

The principal Act is amended by adding after section twenty-seven a schedule as follows—

The Schedule.

Name of Ship	Year of Wreck	Location of Wreck
Triall ...	1622	Vicinity of Barrow Island. Latitude 20° 45' S. Longitude 115° 22' E.

There is a reference to the "Batavia". It reads as follows:—

Known as the Batavia	1629	Morning Reef off Beacon Island in the Wallabi Group Houtmans Abrolhos. 28° 23½' S. Latitude.
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Here is another one—

Known as the Gilt Dragon	1656	Latitude 31° 13' 15-9" S. Longitude 115° 21' 19-5" E.
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Another one reads as follows:—

Known as the Zuytdorp	1712	Approximately 40 miles north of the Mouth of the Murchison River in Latitude 27° 11' 10" S. Longitude 113° 36' E.
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If I read any more I will end up by becoming a navigator myself.

Mr. Bovell: You are steering a rough course at the moment!

Mr. HALL: I referred earlier to the *Sailors' Ghosts*. We had our souvenir hunters in the early days, who took things for research and posterity. I cannot condemn the Bill completely, but I cannot feel with any justification that it has been presented in the best possible manner. In my opinion, it is precarious, and if we pass this legislation we will find ourselves becoming involved in legal action which we cannot justify.

There is so much to be done with this legislation that I do not think we should accept it. It should be withdrawn and reintroduced through better and more appropriate channels. I repeat that the receiver under the Commonwealth Navigation Act should receive the wrecks and then transfer them back to the Museum Board as agent. That is the right procedure to adopt. If we do not do that we will be exposing ourselves to legal difficulties, particularly in regard to those people who take articles from wrecks. Both the Minister and the Government will be exposing themselves to legal difficulties unless they adopt this course.

Earlier in my speech I said that I was not talking about the wrecks one sees on Sunday mornings; I was talking about shipwrecks. I remember the story of a chap who had been shipwrecked and he was standing with his hand shading his eyes looking out to sea and somebody said to him, "What are you looking for?" and he said, "I am looking for another shipwreck."

To return to the Bill, and to deal with the preservation of shipwrecks for historical and other reasons, I warn the Minister about introducing legislation like this and asking us to accept it. Under the Bill the director will have power to make an enforcement against certain people, and there will be many of them. Many of those who investigate these wrecks will not volunteer their treasures because they have become attached to them. They have them in their houses and some have made medallions of them. The director will have a tremendous job. We will find that one person will be reporting somebody else, and

so it will go on. There will be terrific turmoil and we will find police action among the public.

I do not think the director would be able to go to the court, because the only one who can receive wrecks today is the Commonwealth Receiver, and in my opinion the only course to take is to get the Commonwealth Receiver to take over these wrecks and then turn them over to the Museum Board. I think that would get over the difficulty. To try to amend this legislation would be extremely difficult. It would be almost impossible to delete a word here and put another word in there to overcome the position. In my view the only course to adopt is to ask the Commonwealth Receiver to be the custodian of the wrecks and he can then hand them back to the Museum Board. They are my thoughts on the matter; but, if the Bill is passed at the second reading stage, we can tackle the various clauses in Committee.

MR. O'CONNOR (Mt. Lawley) [8.47 p.m.]: This Bill has obviously been drafted for the purpose of controlling or preventing the damage of shipwrecks which are to be found around the Western Australian coast; and also to see that Western Australians and visitors to this State in later years will have the opportunity of seeing the relics from these wrecks.

Probably we in Western Australia are fortunate because of the large number of wrecks that have been located around our coast in recent years. A number of expeditions have left Perth and other centres in an effort to locate them, mainly for the purpose of obtaining bullion and other treasure from them. Probably the ship which has the greatest legend surrounding it is the *Gilt Dragon*, and on many occasions individuals have spent large sums of money in their efforts to find this particular wreck. I think this Bill was probably conceived because in 1962 a wreck was located six miles south of Ledge Point and about three miles out to sea in the Ledge Point area. Apparently the wreck was found by a 16-year-old youth who was spearfishing. He advised his father that he had found some bricks and evidently they both went down to the wreck and subsequently brought up some other relics.

The four or five people who were connected with the expedition agreed verbally to share what they got from it between them. However, apparently there was a bust-up later on and certain individuals went out to the wreck and explosions were set off in the water, in some instances, I understand, when other people were swimming nearby. I think the explosions were made mainly to frighten people away, but it appeared that damage was being done to the wreck, which was thought to be that of the *Gilt Dragon*.

Obviously this could have led to the destruction of a number of the relics or other articles that were in the area. However, from that wreck something like 6,500 pieces of eight were obtained. A gentleman was kind enough to lend me some of the pieces, which I have in my hand. While they are very much like ordinary coins, some of them have been battered around. I also have with me a book printed in Melbourne in which there is an advertisement stating that these particular pieces of eight can be obtained for £8 each. Obviously they are not all worth that much, but from an historical point of view they are of great value to coin collectors throughout the world.

Their value comes from the fact that they are relics from such ships as the *Gilt Dragon*, the *Batavia Road*, or other ships that were wrecked many years ago. Many divers have spent a lot of money on equipment to search for these wrecks, and there is a certain element of danger connected with their location. As regards the wreck which I think led to the introduction of this Bill, while it has been interfered with to some degree I believe there are many relics left untouched and a good part of the ship is still intact. While many believe that it is only a small boat, it is in the vicinity of 180 ft. long. It is completely coral encrusted and not easy to enter. If the Museum Board took over the boat probably the only way it would be able to have divers get inside it would be by the use of explosives; but they would have to be used in such a way that no danger would be caused to equipment or the relics contained in the ship.

I believe it is very necessary to place these wrecks under the control of the Museum Board so that the people generally may get the benefit of looking at the relics which are recovered. However, I do not think for one moment that a person who spends a lot of time and a considerable amount of money, quite apart from the danger involved in discovering these wrecks, should be left out on a limb or be out of pocket through handing over details of what he has found to the Museum Board. I am sure that position will be covered by the Bill because there is one clause in it under which the board is permitted to hand over to a person who locates a wreck the sum of not more than £1,000. It also gives the board the authority to repay to any man a sum equivalent to the value of any coin or bullion found therein.

The Bill will ensure that these wrecks, and the relics obtained from them are handled in a proper manner for the benefit of the public, and it will also ensure that the person who has done the work and has found the wrecks will not lose by it. However, I think there is one small

amendment that could be made to the Bill. I refer to paragraph (e) on page 3 which reads as follows:—

(e) with the approval of the Minister pay to any person who first notifies the Board pursuant to section twenty A of this Act, of the finding of any historic wreck the existence of which was not previously known to the Board, any sum not exceeding one thousand pounds;

This gives power to the authority to pay up to £1,000 to anyone finding a wreck the existence of which was not previously known. However, I think there could be a legal technicality in this paragraph in that while the existence of a number of these wrecks is probably known their location is not definitely known; and I think that, probably after the word "existence", the words "or location" should be included and this could save any legal difficulties arising later on.

There has been some talk of a small expedition going back in the near future to the particular wreck to which I have referred, and then going ahead with the idea of trying to obtain more relics from it. Therefore I would like to see this Bill passed as quickly as possible and then proclaimed to prevent any further damage to the wreck, or to any others that might be found. There is one at the Abrolhos and there are others around the coast that have been located, mainly in recent years. As a result, the sooner the Bill is passed and the Museum Board given authority to control the position, the greater benefit we will receive from it. I support the Bill, and I trust the Minister will have the measure proclaimed as quickly as possible after it has had a quick, but I hope safe, journey through both Houses.

MR. LEWIS (Moore—Minister for Education) [8.55 p.m.]: I want to thank the honourable members for Albany and Mt. Lawley for their contributions to the debate, and I would particularly like to mention the honourable member for Albany for his delightful speech, even though he felt he could not give the measure 100 per cent. support. He forecast that this legislation would be wrecked on the battlefield of the High Court; and he issued a warning, or advised me to approach the Commonwealth to see if it would not be the better authority to take over the control of these wrecks under the Commonwealth Navigation Act. He thought it would be better from a legal point of view.

In reply to that point I would say that it exercised the attention of the Crown Law Department. I do not pose as a legal authority on this matter and naturally we depend on the advice of Crown Law officers. It was their unanimous opinion, with regard to historical wrecks as defined

in the Bill, that the Commonwealth Navigation Act, 1912, has no application. Nevertheless, in the Bill there is a severability clause which was mentioned by the honourable member for Albany. This was inserted for two reasons.

Despite the opinion of the Crown Law Department there could be some element of doubt about the Bill and as to whether it should be subject to Commonwealth law. In that event, of course, the Commonwealth law prevails. In addition, I am informed that gold and silver coins or bullion come within the control of the Commonwealth Banking Act, 1959. So any coins that might be held, whether they be of Dutch or any other origin, could be claimed by the Commonwealth, although it does not necessarily follow that they are likely to be so claimed. However, the right is there.

I am also informed that there are extensive exemptions from this Act which are allowed and in all probability such exemption would apply in this case. I do not think it is at all likely that the Commonwealth would claim the coins that have been found, because I am informed their mineral value is very low. Nevertheless, the severability clause has been inserted in the Bill as a safeguard in case it runs foul of Commonwealth law.

Despite all the research that has been conducted into the aspects mentioned by the honourable member for Albany, and into the legality of the Bill, I will see to it that the remarks made by him—and it is evident that he has done some research into the matter—are placed before the Museum Board, and it can make further inquiries.

The point stressed by the honourable member for Mt. Lawley is that there is a degree of urgency about this legislation lest the relics be lost forever or become of no value even to the skindivers who are going down and using dynamite and other means. Because of what these people are doing many of the relics are being destroyed, and consequently they will be of no value to the skindivers or to posterity.

There is some urgency for control to be placed over these wrecks as early as possible. Mention has been made of many items that have been taken from wrecks and scattered throughout Australia, and even overseas. There is no intention to reclaim these articles.

The only purpose of the Bill is to require notification of the articles which have been recovered, so that they can be recorded and photographed. Such photographs, copies, or notations could then be displayed at the museum. In respect of articles already recovered the ownership will remain with those who are holding them.

The Bill, in addition, proposes to reward the finders of new wrecks. We think it is only common justice to include such a provision. The honourable member for Mt. Lawley has made reference to a small amendment to one of the clauses. I do think there is a need for an amendment to be made to clause 5 (b) (e).

I am pleased to note that honourable members have accepted the Bill generally, and I urge the House to pass it; otherwise the very valuable relics in the old wrecks will be lost to the State for ever.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. I. W. Manning) in the Chair; Mr. Lewis (Minister for Education) in charge of the Bill.

Clauses 1 and 2 put and passed.

Clause 3: Section 2A added—

Mr. HALL: I wish to reiterate the warning I gave to the Minister, although he has attempted to disprove the uncertainty of the legal position. I wish to refer to the Wreck Act and to the duties of the receiver. As the Minister has made reference to a customs officer, who would be disqualified under this particular Act because of the overall Commonwealth position, I draw attention to section 5 of the Wreck Act, which states—

The Collector of Customs is and shall be the Receiver of Wreck, and shall, as such, exercise the powers and perform the duties hereinafter mentioned.

The next section states—

Whenever any ship or boat is stranded or in distress at any place on the shore of the sea or of any tidal water within the limits of the Colony, the Receiver at the port at which or nearest to which such place is situate shall, upon being made acquainted with such accident, proceed forthwith to such place, and upon his arrival there he shall take the command of all persons present, and assign such duties to each person, and issue such directions, as he may think fit with a view to the preservation of such ship or boat, and the lives of the persons belonging thereto . . .

There is no receiver in Western Australia, and by his disqualification the receiver's duties will be taken out of the Act. The duties of the receiver will be those provided under the power to suppress plunder and disorder by force, as set out in section 299 of the Commonwealth Navigation Act which states—

Whenever a ship is wrecked, stranded, or in distress and any person plunders, creates disorder, or obstructs the preservation of the ship, or of the

shipwrecked persons or of the wreck, the receiver may force that person to be apprehended.

The receiver may use force for the suppression of any such plundering, disorder, or obstruction, and may command all persons present to assist him in so doing.

If any person is killed, maimed, or hurt, by reason of his resisting the receiver or any person acting under his orders in the execution of this duty, neither of the latter shall be liable to any punishment or to pay any damages by reason of the person being so killed, maimed, or hurt.

Progress should be reported to enable the point I have raised to be examined by the Crown Law officers. There is no one in Western Australia who can act as a receiver, yet the Commonwealth Government has the power to receive. If we take unto ourselves the power under the new Act, and institute legal proceedings for recovery of parts of a wreck, the Government's position would be completely exposed.

Mr. LEWIS: I cannot agree with the point raised by the honourable member. The Wreck Act and other relevant legislation have been examined closely by the Crown Law Department. Where the State law does not prevail and the Commonwealth law takes over, the State Act will be applied to the utmost. The Crown Law officers are satisfied in regard to the legal ownership of wrecks and this provision has been inserted so as to cover coins and bullion that might be found on wrecks.

I undertake to have the points raised by the honourable member examined by the Crown Law Department. This Bill should be passed to enable the legislation to be proclaimed.

Mr. HALL: In view of the assurance given by the Minister I do not wish to oppose the clause.

Clause put and passed.

Clause 4 put and passed.

Clause 5: Section 17 amended—

Mr. O'CONNOR: I refer to the provision in proposed new paragraph (e) of section 17 (2) of the Act. It could be argued that while the location of a wreck was not known, its existence was known. For that reason I move an amendment—

Page 3, line 12—Insert after the word "existence" the words "or location."

Mr. LEWIS: I urge that the clause as printed be agreed to. I shall have the amendment examined, and if it is considered to be necessary I shall have it inserted in another place. That would avoid the reprinting of the Bill.

Mr. W. HEGNEY: The words proposed to be added will not overcome the difficulty. If all words after the word "wreck" in line 12 down to and including the word "Board" were deleted and the following inserted:—

other than those mentioned in the schedule to this Act
the position would be covered adequately.

Mr. Lewis: One of the wrecks mentioned in the schedule has not been located exactly.

Mr. W. HEGNEY: It is mentioned in the schedule. The board might not be aware of the location of a wreck, but be aware of its existence. The wreck referred to by the Minister is mentioned in the schedule and its existence is known.

Mr. LEWIS: Under the proposed wording of the honourable member a reward of up to £1,000 can be given to the finder of any new wreck not mentioned in the schedule, but there is nothing to cover the person who locates the exact position of the first wreck shown in the schedule. The wording proposed would exclude him from any reward.

Mr. O'CONNOR: Under the circumstances I am quite prepared to accept the suggestion of the Minister that this amendment be made in another place. Therefore I ask leave to withdraw my amendment.

Amendment, by leave, withdrawn.

Clause put and passed.

Clauses 6 to 11 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

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

GOLDMINING INDUSTRY STABILISATION AND EXPANSION: APPOINTMENT OF PARLIAMENT- ARY COMMITTEE

Assembly's Resolution: Council's Message

Message from the Council received and read notifying that it had concurred in the Assembly's resolution; and, in accordance with the request by the Legislative Assembly contained in the resolution, had agreed to appoint two members of the Legislative Council nominated by the Leader of the Government and one member nominated by the Leader of the Opposition in the Legislative Council to serve on the Committee.

COUNTRY AREAS WATER SUPPLY ACT AMENDMENT BILL

Second Reading

Debate resumed, from the 13th October, on the following motion by Mr. Wild (Minister for Water Supplies):—

That the Bill be now read a second time.

MR. CORNELL (Mt. Marshall) [9.23 p.m.]: When speaking the other night on a measure before this House the Leader of the Opposition made some reference to the fact that it had moved up and down the notice paper like a yo-yo. This particular measure has possibly not moved up and down to the same degree as that one, but it has certainly been kangarooed a number of times so that I was wondering whether it would ever be dealt with. I have been padded up now for several days so that if I appear to be a little stale, it is because I have had the water turned off too long.

I once heard it said that to get any sense out of a proverb it is necessary to turn it inside out. That is what I have had to do with the Minister's speech to relate it to the Bill. He made several references to the Government's far-reaching proposals in connection with water rating, and naturally one would turn to the Bill to find what these proposals were. However, the Bill was silent on most of them.

The Minister was very enthusiastic about it. He really pawed the air for adjectives and scraped the bottom of the barrel for hyperboles in introducing this measure. However when one turns to the Bill itself one finds it is a fairly commonplace piece of legislation. The speech was like a bikini—what it revealed was interesting and what it concealed was vital.

The Minister said the Bill would do two things: (a) it would implement proposals for a uniform charge for water in country areas; and (b) regularise and streamline administrative procedures. Until some amendments were edged on to the notice paper today, the Bill did not do that at all. To my way of thinking it was merely a spring-cleaning measure having been introduced in an effort to clean up some administrative untidiness in the parent Act.

The Government's proposals—which have been termed far-reaching—however, have not been written into the Bill. No reference is made in the Bill to the new levels of rating of 1s. 6d. in the pound on the net annual value for town and 2.4d. per acre for rural lands. Neither of course, has there been any reference to the charges to be made for water consumed because, as has been done in the past, this will be looked after by regulation under the by-laws.

Reference was made in the speech to the fact that an additional £31,000 loss to the Government would be the effect of these proposals. However, I feel that figure has to be conditioned a bit because in reply to some questions I asked recently on the amount of meter rents the department had received in the last two financial years, I was told that in 1963-64 it was £8,300 and in 1962-63 it was £8,200. Therefore, in view of those figures—and we know that they have cried out for years to be abolished—the loss has been reduced from £31,000 down to roughly £23,000, because no matter what Government or administration is in power it could not allow them to be imposed for very much longer.

The Minister indicated that the Bill would provide for (a) uniformity; (b) conservation of water; and (c) the pay-as-you-use system.

Since the 1st July, 1962, revaluations have occurred in many country districts, and there is every indication that more are to come. I have taken a cross-section of these districts and have withdrawn from the list 17 of them. I find that the valuations in those 17 towns are a fair indication of the increases that have occurred in valuations. The increase has been roughly 15.5 per cent. Therefore, if the valuations continue to increase to that extent, it will not take long to catch up with the £23,000 or the £31,000, whichever figure we choose to accept.

I would ask honourable members to cast their minds back to 1962 when I asked some questions regarding transfer of certain ratepayers in the hills district from one system to the other. As reported in *Hansard* on pp. 1146 and 1147, of 1962, I asked what the cost to the department would be for the transfer of those properties, and the reply was that based on existing prices, valuations, and consumptions, the loss in revenue from the Goldfields Water Supply Department on that transfer would be £12,900. Therefore with one stroke of the pen £13,000 went overboard; so when we consider the figure of £31,000 in relation to that, it is not such a magnificent sacrifice.

I made reference to towns which I have extracted from a list, and they give an indication that when I said they were a fair cross-section of the towns concerned I was not making an understatement. The towns are: Boulder, Boyup Brook, Bruce Rock, Brunsvick Junction, Corrigin, Carnamah, Goomalling, Kondinin, Koorda, Meckering, Pinjarra, Pingelly, Three Springs, Toodyay, Tammin, Wyalkatchem, York.

The total valuation in round figures before revaluation was £370,000 and after revaluation it was £428,000, which is an increase of roughly 16 per cent. in valuations. If the present-day valuations of the Water Supply Department are upgraded by 10 per cent. in the next two

years, the department's revenue will increase by £47,000, so that the £31,000 loss the department says it is sacrificing this current financial year will be more than compensated.

Mr. Norton: That is only on the goldfields water supply, is it not?

Mr. CORNELL: If we consider the increases in valuations in the four towns which did cause a furore a little while ago—these being Cunderdin, Kellerberrin, Merredin, and Narrogin—there was a 45 per cent. increase. Therefore, if valuations continue to increase to that extent, the department's revenue will increase considerably and will fast overtake the loss which this year, under the new system, is said to have occurred.

The total net annual value of rural towns on the 30th June, 1964, was £4,200,000. Therefore we can appreciate on those valuations that we would not need very much increase to pick up the additional revenue which would more than compensate the short-term loss which this new system would entail.

The Minister said that the new rate will be 1s. 6d. in the pound, equivalent to a rental. I am afraid I must disagree with that statement because any rating which is based on valuations in my view cannot be regarded as a rental. The same rental is paid for a telephone whether that telephone be in Parliament House or in the backyard of a dump. It is the same rental for private use wherever it is installed. Therefore in this case there is no relation to the rental or the annual value of the property. Accordingly, to say that 1s. 6d. in the pound is equivalent to rental does not make sense.

However, as I said, the statement that the new rate will be 1s. 6d. in the pound would lead one to believe the Bill so provided. However, if honourable members peruse the Bill they will find that the rate still remains at 3s. in the pound—or did so until something was sneaked on to the notice paper.

The Minister also quoted the very many considerable discrepancies by way of variations in the cost of water allowed in various country towns. I think we could all agree that those discrepancies and variations could have been adjusted overnight by amending regulations to provide a certain charge for certain water in certain places, or to apply a uniform rate throughout the State. So that to infer that the Bill adjusts these anomalies is not in accordance with fact.

Under the Bill, of course, the 1s. 6d. which is referred to in the proposal applies only to private or domestic premises; office premises and the like will be rated at 2s. in the pound, and no rebate water will be allowed. As a case in point, might I be permitted to quote my own case in regard to the rating of my house in Kellerberrin? My present rating, at 3s. in the pound, is £30 9s. a year; and my new rating will be £15 4s. 6d., which is half the present

rates. But for the water to which my present rates entitle me I would have to pay an extra £18 16s. which, added to the rates at 1s. 6d. in the pound, means a total cost of £34, or an increase of £4 over what I am paying at the moment. From those figures it can be seen that in my own case—and there could be others like mine—I would pay more than I am paying at the moment if I used the same quantity of water; and, as far as I can see, I will do just that.

I should like to relate that to a property I own in the metropolitan area which has an annual valuation of £179; and, incidentally, the annual valuation on my Kellerberrin property is £187, so that the valuations are reasonably comparable. For the metropolitan property I pay £8 19s., and for that I receive, I think, 90,000 gallons of water by way of rebate. I might mention at this stage that I have had an interesting tussle with the Taxation Department on the question of valuation for my Kellerberrin property. I asked the department how it made the valuation up, and I was told that it had probably made a slight error and the new valuation would be £203. So I paid a little extra for my—

Mr. Jamieson: Information.

Mr. CORNELL: Yes, information.

Mr. W. Hegney: You could not get them to water it down?

Mr. CORNELL: It reminds me of the story of Cardinal Morton, who was Chancellor of the Exchequer for one of the Edwards. He had the peculiar system under which he went to one man and said, "You are spending far too much money. You will have to reduce your spending by contributing to the Exchequer." Then he would go to the person who was not spending much money and he would say, "You are not spending very much money. You must have a lot of money saved up. You can contribute more to the Exchequer."

That system was known as Morton's fork: if he missed you with one prong he caught you with the other; and I would say he has a spiritual successor in the Taxation Department. Incidentally, I would like to point out that in the Minister's speech rural lands are said to be rated at 2s. 4d. per acre, but that is obviously an error. The decimal point has got misplaced and it should read 2.4d. I trust that will be corrected in *Hansard* in due course. Allowing for that obvious error I searched the Bill to see if the 2.4d. maximum had been written into it, but I could not find it. It is still 5d. as in the original measure, but I think it will be amended to provide for a maximum of 2.4d.

That brings us, of course, to the large consumers of water, such as the market gardeners; and it would seem that this type of consumer, on present indications, will pay considerably more than he is paying at the moment. I would like to quote

from a York paper in which the Mayor of York had something to say on the question of market gardeners. The whole article in the Press reads as follows:—

Cr. C. H. Lee stated on Monday night, at the meeting of the York Town Council, that he thought the new water supply ratings should be investigated, because of the possible harm that could be done to local market gardens.

Asking that some steps be taken to ascertain the additional amount that they would have to pay in future, he asked would it be possible to aid them in establishing a concession rate.

The Mayor (Mr. P. M. A. Glass) said that he had been assured earlier that the department would not be very sympathetic towards York market gardens because it was their contention—

I take it the word "their" means the department—it was the department's contention. To continue—

—that sufficient vegetables could be grown in coastal areas without having to worry about inland gardens.

Mr. W. Hegney: Decentralisation!

Mr. CORNELL: If that is the department's attitude, how mythical are our proposals for decentralisation! I repeat what I said before: The current proposals are not a complete pay-as-you-use system. To me the pay-as-you-use system is one under which a person pays only for the water he consumes; and it presupposes that no rate based on a valuation will be levied. Properties are rated on a per pound property valuation at the present time and they are 50 per cent. higher than in the metropolitan area. As I envisage a complete pay-as-you-use system the rating system should go by the board.

Now let us get on to the question of the committee of members which was referred to in the Minister's second reading speech. It was appointed to go into the question of water rating and the terms of reference which were handed down to this committee were as follows:—

1. To inquire into and report upon the following—whether any, and if so, what practicable scheme of rating for water can be devised which will enable ratepayers to be charged only for water actually used with particular emphasis on country lands rating.
2. Alternatively, to consider and recommend whether any rating relief can be given to ratepayers providing their own supply from underground or from prepared catchment sources on their own premises and the conditions which should apply to such relief.

3. The chief aim of the committee should be to devise a scheme whereby the conservation of water is encouraged.

In due course the committee considered the matter thoroughly and made certain recommendations. One of the recommendations was that the system of uniformity for water rating should be on a State-wide basis, and that included the metropolitan area. But this proposition was not accepted. The Treasury set its face against the proposals and it would seem that a modified system of water rating under which the country and metropolitan areas were divorced had to be devised. The need for the committee's recommendations to include the metropolitan area was obvious; because it was self-evident that the proposal must be made State-wide so that any loss entailed in the country can be caught up with in the metropolitan area. Country Party members last session reluctantly supported the appointment of a metropolitan water board and we can now see the impossibility of any surplus from the metropolitan area being offset against any deficit on rural water undertakings. While it is possible to syphon off water from one scheme to another it is not possible to syphon off some of the revenue.

I understand the reasons given for the non-acceptance of the committee's proposals to make the charges on a State-wide basis—and I will read the recommendations—were as follows—

Although the proposal advanced by the committee has considerable merit there are problems associated with a changeover in the Metropolitan Area to the system being advocated.

In the Metropolitan Area the application of the rates and prices recommended by the committee would change completely the incidence of these charges. Assuming no change in the present levels of consumption the effect would be to increase the average charge to domestic consumers by 14%, to reduce charges on the majority of rated city properties and other business premises and to increase the cost of water to industrial and trading concerns by an average of 16%. In particular the latter would be most undesirable at this time when strenuous efforts are being made to encourage the development of industry.

I interpolate there: Is the inference to be placed on this that we develop industries in the city, but we let them go by the board in the country? To continue—

Although the average charge to domestic consumers would increase by 14%, the increase in the case of many individual consumers would be of such an order as to raise the question of the desirability of implementing the committee's proposals.

In view of the changes in recent years in charges to domestic consumers in the metropolitan area and the fact that the department's present income from water sales is about of the right order to cover operating costs it would also be undesirable to make any further change at this stage as far as these consumers are concerned.

The cost of metering all services which is an essential feature of the committee's proposal has been estimated at £265,000 and although the committee does not consider this sum excessive the situation with loan funds does not in fact permit an outlay of this order. There is also the aspect of technical difficulty in connecting meters to all services particularly in city buildings which presents problems.

The cost of maintaining additional meters and the debt charges on the required outlay to install them are also factors which should not be overlooked. These costs together with additional running expenses are estimated at £60,000 per annum.

When I gave the figures of what I would have to pay extra for the variation in the rating system I forgot to add a further £3 based on an income disadvantage of 3s. in the pound. I am not saying that this is the rate I pay, but that would be a further disadvantage to country consumers. The report goes on—

The committee had drawn attention to the fact that water rates are a taxation deduction and that under its proposals a taxpayer would suffer a loss in allowable deductions unless some allowance were also made for the cost of water consumed. Although the committee has indicated that its enquiries revealed that the Commissioner of Taxation would give consideration to allowing a taxation deduction comparable with that at present allowed, my enquiries reveal that it is unlikely any such arrangement could be implemented.

I think that is a fair statement because any alteration to the system would have to be on an Australia-wide basis; and to include any degree of excess water, or any water at all as a taxation deduction would open up implications about which I am afraid the Commissioner of Taxation would not be very happy.

The Minister for Education, by interjection on several occasions during the speech of the Deputy Leader of the Opposition, repeated that the purpose of the exercise is to conserve water. I think the main exercise and the deliberations of the committee, and its subsequent recommendations were towards that end, and I would like to agree with him that that will be achieved. However, I am afraid that his opinion that this system will conserve water is a myth.

Similarly, on that reasoning, every increase in the price of tobacco or beer should reduce the consumption of those two items; but we all know it does not have that effect. If the Minister for Education really believes that this system will conserve water then Santa Claus was not created in vain! My own view, as I have already said, is that where a person pays less in rates, and consequently receives a lower rebate, he will still use the same amount of water.

Not even an allowance is given irrespective of the fact that most country areas have to install septic systems at the request of the local authorities concerned. When I first rose in support of this measure I could be pardoned for thinking that the Water Supply Department was playing the part of a new Messiah, or at least an old one with a new gospel; but I am afraid that a perusal of the Act soon dispelled this idea.

When I had another look at the Act I found it was the same girl dressed up in a sloppy Joe outfit. No attempt was even made to dress her up properly. I have tried to assess the position in my electorate as to how these proposals have been received. Whilst the reaction has not been one of condemnation, it has not been one of enthusiasm.

It is rather like the story that was told in Great Britain during the war when everything was being rationalised under Government control, when they were endeavouring to provide some degree of rationalisation in the agricultural industry. Some of the farmers there were not very co-operative; they just would not play along. Several senior Government officers were, however, sent down to sell the story to the farmers. They addressed large meetings of farmers, but they were not getting much response. At last one of them said, "I will put it this way: The result of this will be rather unspectacular for the time being. For instance, if you put your ram in among the sheep, you would not expect to see a paddockful of lambs in the morning." "No," said a voice, "But we would expect to see a few contented faces." I have not seen many contented faces as a result of these proposals.

My reading of it is that this is merely shifting the burden from one end of the see-saw to the other. It is an equalisation within the system. Some people will pay more, and some people less. At the risk of drawing the ire of the member for Boulder-Eyre I will make the same statement that I made earlier. He said that generally this proposal seemed to be favoured by members of the Country Party; and once again I would go along with that. But I would like to issue the warning that when the assessments issue very shortly—they will go out early in the New Year—any odium arising from the change-over of the system and causing increased

water charges would have to be borne by those members, myself included. I cannot see how it will work out. To use the phrase of the Minister, it is a hypothetical exercise, and no one knows for sure how it will go.

Mr. Tonkin: You only have to compare it with the metropolitan area and you will see how it will work out.

Mr. CORNELL: I accept it with inward reservations. I did make the further reservation that, before finally accepting the measure, we wanted written into the Bill a maximum figure of 1s. 6d. in the pound for rural areas, and 2.4d. per acre for broad areas. That appears to be looked after in the amendment now on the notice paper and, as I said, that gives the protection which is desired.

I also want to make the point that if subsequent valuations are of the order of such increases, I would like an assurance from the Government that the position will be constantly watched with a view to stabilising the revenues of the department consonant with its responsibility, without letting things get out of hand as happened recently in the case of the four towns I have mentioned when rates skyrocketed and valuations were adopted willy-nilly. I would like that assurance from the Minister, whether there is a change of government or not. It is possible that the Minister for Works may be studying the water works in London at the time. I do know that my rates went from £15 to £28 a year in one fell swoop. The combined water and sewerage rates of a person well known to the honourable member for Merredin-Yilgarn went from £80 to £260. So if valuations of that order are imposed in the future the criticism that has been levied in the past will again raise its head.

I would like an assurance from the Government that this position will be carefully watched with a view to relating the water rates to the valuations. There is no reason in my mind why such a long lapse of time should be permitted between valuations. I would like to quote portion of a letter from the Commissioner of Taxation dealing with the question of valuations. The commissioner says—

Where an adequate description of any premises is already recorded the annual value is readily assessable without re-inspection, beyond a brief external inspection to confirm the general condition of the property.

That has been my opinion; that most of these valuations can be made without the Commissioner of Taxation ever getting out of his chair in Perth; because there is a full record of the properties concerned in the office there; and there is full knowledge of the properties in the country and what they are bringing by way of revenue as the result of economic circumstances.

In my view there is no excuse for allowing five to eight years to elapse between valuations. Revaluations could be applied much more consistently and regularly than is being done at the moment, and the number of appeals that would issue as a result could be easily dealt with, and the matter kept up to date to the satisfaction of everybody. But to allow a reasonably long period to elapse and then jack up the rates as they did in Narrogin, Kellerberrin, and other places with consequent staggering increase in rates, is not equitable. Something should be done along the lines I have suggested.

Incidentally, it appeared that the valuers appointed by the Water Supply Department have all gone overboard and have transferred to the Taxation Department, so that the valuation authority in this State is now wholly and solely the Commissioner of Taxation.

Mr. Tonkin: The only difference is that it is costing the State a lot more to get it done.

Mr. CORNELL: I would not know that.

Mr. Tonkin: I am telling you it is.

Mr. CORNELL: Maybe it is; but when the Commonwealth comes to dealing with the States there is not a great deal of sympathy extended. The Commonwealth expects its pound of flesh; and being in the box seat, it invariably gets it. However, with those remarks, and subject to the reservations I have made, and the fear I have expressed in this matter, I support the measure. I only hope it will work out as its sponsors desire. If it does not we will be in a lot more bother than we are at the moment.

MR. NORTON (Gascoyne) [9.56 p.m.]: At last we are debating a Bill which has been much publicised and on which favourable comment has been made in the Press. When listening to the Minister introducing the measure one would have thought he was Father Christmas; but when one gets down to studying the Bill clause by clause to see what it contains one can almost say that a confidence trick has been put over.

On looking through the Bill we find that the Minister has at least three methods of raising water rates by regulation. He has, first of all, two methods of assessing the ratable value on one's property. One is by the annual rental value, as used by the shire councils, and the other one is the estimated average amount of rent which the land may reasonably be expected to let for, less 40 per cent.

In this respect there is a very big discrepancy in the two ratings, particularly if one takes them in so far as the rents and the annual rental values are concerned. I have here a list of rates for the town of Carnarvon, and I also know the rents charged by the Housing Commission on a

number of houses. In this respect I will only use two particular houses when quoting.

House "A" had an annual rental value of £94, and it was let for a weekly rental of £4 4s. 6d., which gives an annual rental of £220. When the 40 per cent. is deducted it gives a ratable value of £132, which is considerably more than the £94 at which it is at present rated.

Mr. O'Neil: Two lots of 40 per cent. are deducted.

Mr. NORTON: No, only one lot. The second house has an annual rental value of £109. Its rental is £4 18s. 6d. a week, which gives a total annual rental of £256; less 40 per cent. brings the ratable value to £154, which is an almost 50 per cent. increase over its old valuations.

When one tacks this on to the actual rates that will be paid of 1s. 6d. in the pound—it could be 3s.—as stated by the Minister, on the old annual rental value system the rates paid will be £7 1s., but in the second rating the value will be £9 14s., or an increase of £2 13s. For house B, the rates under the A.R.V. would be £8 3s. 6d., but under the other rating value they would be £11 11s.—an increase of £3 7s. 6d. With regard to the other methods of rating the Act sets down that a maximum rate of 3s. in the pound can be charged, but the Minister told us he is only going to charge 1s. 6d. He will charge 1s. 6d. for so long as he feels inclined, but he can raise the rate from 1s. 6d. to 3s. The rates could be doubled overnight on A.R.V. and be up another 50 per cent. in respect of the amendment to section 48 of the Act.

The third method of altering the rating is by altering the rate which is charged for the measured amount of water used. The Minister told us he was going to charge 2s. for the first 60,000 gallons; 2s. 6d. for the next 40,000; and 3s. over that amount. However, there is nothing to stop him, by the stroke of a pen, raising the total rating to 4s. per 1,000 gallons, or to whatever figure he likes. There is nothing in the Act to say what he has to charge for water under the pay-as-you-use system. So he has three alternatives by which he can raise water rates, or he can use each one at the same time.

That is why I said this is more or less a confidence trick. It is simply in the Minister's hands for him at any time to alter the rating; and what is more, the amendment to the Act says he can vary from time to time and from place to place the rating in any water area. The Minister has certainly included a provision to give a person the right of appeal; and this power was certainly not in the Act before. But how is a person going to get on with an appeal, particularly if he is on what is known as the A.R.V.? This is the taxation value. One would have very little hope of winning an appeal

there, and if one appealed on the rental system of assessing the ratable value, one would have very little chance of winning an appeal, particularly if one is in a State house, because the annual rental is known. What opportunity would one have of appealing against it in any way?

If the Minister wishes to get this Bill through, the amendments on the notice paper will help considerably, but the Act should stipulate the amount to be charged per 1,000 gallons of water used. As it stands at present, and as I said before, the price can be just anything at all.

Just what will this mean to householders, ratepayers, and tenants? I represent an area, as the Minister knows, where people are heavy consumers of water for 10 months of the year because it is a dry area and the temperatures are well above those in Perth. This means that the watering of gardens has to take place all the year round. So that the Minister can see exactly what will take place, I have two examples here which I will quote. These are two houses that are in the rate list, which I can show the Minister, and they are both owned by the State Housing Commission. Therefore the rent can be checked. They are absolutely authentic cases, and if my working out is correct, the figures must be right.

I will take house A again which has an annual rental value of £109. At the present time the rates are 3s. in the pound with a water rebate of 3s. per 1,000 gallons, giving a total gallonage to that person of 109,000 at a cost of £16 7s. Under the new rating in accordance with paragraph (a) of section 48, and under A.R.V. rating at 1s. 6d. in the pound, the rate paid will be £8 3s. 6d. The tenant will have to now pay for the first 60,000 gallons of water at 2s., which will be £6. The next 40,000 will be paid for at 2s. 6d. and will cost £5. I have left off the 9,000 gallons. Therefore 100,000 gallons will cost the tenant £11 for a year.

So what it will amount to is this: The tenant will have his rental increased by an amount of £11 per annum; and the owner or occupier of the house, if he is using his own house, would have his rates increased by £2 16s. 6d. because he will pay the £11 plus the £8 3s. 6d. and still be down 9,000 gallons. On the landlord's side, he will show a profit of £8 3s. 6d.

With this same house, and using paragraph (b) of section 48 if it is amended as proposed, and going back to the old A.R.V. rating, the total rate for 109,000 gallons will be £16 7s., with a weekly rental of £4 18s. 6d. This is equal to £256 per year, less 40 per cent., and gives an estimated annual value of £154 as against £109. The amount of £156 at 1s. 6d. gives a rate of £11 11s., with 100,000 gallons of water costing a further £11. The total to the owner or occupier would be £22 11s. as

against £16 7s.; and would show an increase to the occupier-owner of £6 4s. while getting 9,000 gallons less water than before. To the tenant it would show an increase as before of £11 per year on to his rental.

I will now take house B with a smaller annual rental value with an allowance of 94,000 gallons of water per year. An annual ratable value of 3s. and a rebate of 3s. per 1,000 gallons would give him 94,000 gallons for £14 2s. Under the Act, if this Bill is passed, with the rate at 1s. 6d., the rating comes down to £7 1s. With 60,000 gallons at 2s. the cost is £6; and with 34,000 gallons at 2s. 6d. the cost is £4 5s., making a total cost for the 94,000 gallons of £10 5s. This brings the total rates for water for the owner-occupier to £17 6s., or an increase to the owner-occupier over his old rates of £3 4s. It also makes a difference to the tenant if he is renting the house. He will pay £10 5s. more per year for rent.

If the house happens to be rated under paragraph (b) of section 48, a weekly rental of £4 4s. 6d. or £220 per year, will give an estimated annual value of £132. The water rate at 1s. 6d. would be £9 14s.; and 94,000 gallons would cost £10 5s., bringing the total rates up to £19 19s. Under the old rating they would have been £14 2s. This is an increase to the owner-occupier of £5 17s. or an increase of rent to the tenant of £10 5s. per year.

Therefore it can be seen that under these amendments the people in the north are going to suffer very severely. There is going to be no saving for them whatsoever. In fact, there will be quite a considerable increase in revenue to the Country Water Supplies Department. The only people I can see who will obtain any relief will probably be the hotels and stores because they use very little water in comparison with the rates they pay.

In summing up in regard to householders, owner-occupiers, and so on, it gets down to this: The owner-occupier will pay more for water and obtain less tax deductions from his income tax; landlords will pay less rates, get the same rent, and show more profit; the State Housing Commission will pay less rates, receive the same rent, and show more profit; and tenants will have to pay for all water. This will virtually increase their rent by 5s. per week. In turn, this will cause gardens to be let go; and generally, the appearance of the towns will go down.

I understand it is the wish of the State Housing Commission that every one of its tenants keep a good garden and keep the place looking at its best; but with this system the tenants are going to let their gardens go, because they will have to pay for every drop of water. What is it going to mean to a tenant who takes over a place in the seventh, eighth, or ninth month of the year when all the cheap water has gone? It will mean that he

will have to pay 2s. 6d. or 3s. per 1,000 gallons instead of 2s. Immediately that person will have to pay more for water than the previous tenant and he will not be very happy about it.

What is going to be the position of departmental officers, school teachers, and so on? Apparently from questions I have asked of various Ministers, they do not know just how this is going to work. The Housing Commission does not know. It seems that we have a Bill before us and nobody seems to know how it is going to work. I think it is evident that up to this point nobody knows how it is going to work.

In conclusion, it appears to me that this Bill is just one of regulations to enable the Minister to fix rates and charges for water as he thinks fit, and I object to any Bill which does that.

MR. W. A. MANNING (Narrogin) [10.13 p.m.] I would like to say a few words on this Bill. I did cover the subject quite a deal in my Address-in-Reply speech, so I do not intend to speak for any length of time. However, there are some points I would like to bring out. When the Deputy Leader of the Opposition spoke on this Bill he was looking for the main aim of the committee that made the recommendations. There are several aims. I do not think it matters which is the main aim. However, if there is one, I think we could call it the conservation of water.

There have been several committees in the past dealing with the water problem and charges, but many of these were made up of departmental officers, and they have not looked further than at suggestions which would raise the charges for water. That does not appeal to any honourable member of this House and is a short-sighted outlook to remedy the position of financing our water supplies.

The committee of which I was a member sought to look deeper than that. We were unable to accept the rising prices, so we sought the cause of our troubles. We needed to conserve water, not only from the financial point of view but also from the conservation point of view; because if there is anything that we need in this State it is the conservation of water, so that it might be used to greater advantage and spread over a wider area. Those people in the eastern areas of our State entirely agreed with this outlook because it is so important to them.

There are two ways of conserving water. One is by the imposition of restrictions, which nobody likes. They are hard to enforce, and I do not like them at all. The other way is to propose that people pay for the water they use. We can usually reach an objective by seeing that people pay their share for what is used. That was used as a basis for this proposal; namely, that water used should be paid for.

That was the basis, but it is not the final answer; because we were not able to reach that position in one jump. However, in order to start the system operating, the recommendation was that the rate should be cut in half and that there should be no rebate water. That was the first step in the complete scheme; namely, of seeing that water is paid for as it is used.

I cannot see that there is any better way of conserving water than by seeing that people pay for the water as they use it. Obviously they are not going to waste it. They will use what they need, and they would be prepared to pay for it. We adopt this method in many respects, notably in regard to our electricity charges.

Mr. Hall: I am glad you are on my side.

Mr. W. A. MANNING: I am on everybody's side with this one. One of the first things that came to our notice was the chaotic variations in the charges for water throughout the State. Without seeing the schedule, I am sure people would not believe the things that had been going on. There were variations in the rates, variations in charges, in exemptions, in exceptions, in free water, and in un-metered properties. There was everything going on and there was no reason for it. It just happened over the years.

The first objective of those who in early years provided reticulated water was to see that people used the water which was provided; so they made attractive offers to see that people used the water in order that they would get some income. The position has now changed, and the cost of getting and pumping water is higher than the price paid for it.

It was very necessary that the chaotic conditions should be reduced to some common denominator so that we could reach a starting point. That was one of the things that had to be done. This system gets rid of all the free water, all the differentiations in charges and rates, and everything else that goes with it; and those concerned with using water from the system pay for what they use, plus the charge, which is about half the previous valuation.

The honourable member for Gascoyne had some doubts about the scheme. I wish he was in the Chamber to hear about this. He suggested that it was a confidence trick and that the Minister could do as he liked. The charges for water have always been varied since the inception of a water scheme. Valuations have always varied. If there are valuations, they must vary. The honourable member said that the Minister could continue to strike a rate up to 3s. Evidently he has not looked at the notice paper, because there is an amendment proposed by the Minister which reduces the rate from 3s. to 1s. 6d. and farm water 5d. to 2.4d. Therefore the points that he raised were completely wrong.

Honourable members can rest assured that there is no nigger in the wood-pile in this respect. Some query has arisen

in regard to the charges applying to different people. Some honourable members have suggested that we do not know where it will lead to. Figures have been extracted throughout the State—exact figures of water consumption; figures regarding the rebate water which was allowed and not used; figures relating to excess water which was used and paid for. These figures were extracted from meter readings of every consumer and came from every water supply office. There was no guess work about it. We know exactly what happens in every consumer's residence or place of business throughout the State.

In order that there shall be no misunderstanding in charges, I propose to quote figures. Any consumer who has an annual value of up to £105 pays no more than he does at present for consumption of up to 240,000 gallons, which is nearly a quarter of a million gallons. A consumer with an annual value of £120 per annum can use 80,000 gallons before he pays an additional amount. The same applies to a consumer having an annual value of £135. A consumer who has an annual value of £150 up to £180 still pays less if he uses 100,000 gallons of water. A consumer who has an annual value of beyond £195 can use 120,000 gallons of water and can still save a few shillings. He saves 7s. 6d., but he can use 120,000 gallons of water.

There is no doubt as to what the charges will be. Those who choose to use small quantities of water will definitely save, and those who use more water will have to pay for it; but they will be paying for something which they decide they would like to use. Honourable members will agree that if a person pays for or uses what he desires to use, and he is charged so much per thousand gallons, he is much happier in doing that than paying so much because his property is valued at so much regardless of the amount of water he uses.

Past dissatisfaction over water charges has been based on dissatisfaction over valuations. Every honourable member will agree that it is the valuations on properties which have caused all the trouble. This scheme is devised to immediately halve the effect of valuations. However, the objective goes much further. The idea of the scheme is that progressively the rate charged shall be reduced. My feeling is that the rate charge should ultimately become a service charge and we should do away with valuations.

The Deputy Leader of the Opposition said the charges for carrying out valuations were getting higher and higher. Ultimately we should do away with the valuations. We should make a service charge for each property which has the water supply connected or available. It would be something like an insurance policy. Nobody could object to paying a service charge for having the water connected if they wanted to use the water. Beyond that, the water that is used is paid for.

In my opinion the system is sound, simply because it gets away from the contentious point of valuations, and progressively gets rid of them altogether. It supplies a commodity, which we all need to some extent, on a basis of charging consumers according to the quantity used.

There is a standard country charge made at present over a very wide area. The annual loss is about £2,000,000 over the whole area of country water supplies, and about £1,250,000 of the loss comes from the gold-fields system; that is, the agricultural districts between Perth and Kalgoorlie, as well as from Kalgoorlie itself. But the rest of the country areas have come in on a basis that each should pay the same rate.

My picture of this is that the whole State, including the metropolitan area, will come under a similar system as time goes on. Just how it is to be done, remains to be seen. The Water Board which has been established could be extended to cover the whole of the country areas as well as the metropolitan area, and I think that should be the objective in mind. However, it does not matter how it is achieved.

I feel that all the people in the State should be charged for water which they use, on the same basis per thousand gallons. There is no reason why that objective should not be reached. In the meantime the objective must be that as the total annual valuation is increased, so the rate should be decreased. It would take an increase in valuations of something like £200,000 for the rate of 1s. 6d. to be reduced by 1d. This must be done if the ideal of this scheme is to be carried out. It is most important that there should be a statement to the effect that it is the intention to reduce the rate of 1s. 6d. progressively as and when it is found possible.

Another point raised is the matter of deduction for income tax. It is true that in halving the rate we halve the deduction which can be taken from income tax; but an application has been made to the Federal Government to have an allowance made for water in lieu; and although one speaker said that he doubted whether it would be allowed, I would not go so far as to say that, because in my opinion it could be allowed.

Mr. Tonkin: Can you give us any reasons in support of that idea?

Mr. W. A. MANNING: Only a verbal approach at the present time. The committee made inquiries on this matter some 18 months ago. It was advised that it appeared to be a reasonable case and one worthy of consideration. However, until the scheme was on the verge of being adopted, there was no object in making application, but application has now been made.

So far as I am concerned, I intend to fight as far as I can for this principle, and I hope that I shall get the support of every honourable member. I see no reason why it should not come about.

The reason for the change of scheme is the conservation of water; and surely the Federal Government must endorse that sort of objective! I feel that we have a good case.

However, in the meantime, that is something which is unknown, although it is an objective which we have in mind. The scheme is one which provides a long-felt need. It is better than the previous proposal which simply increased the price for water. I think it will conserve water. At least, it will make consumers happier, because they will not be paying a rate based on high valuations but will be paying for the water they use.

I think honourable members can be confident that as the scheme is proved—and of course it will not be until next year—the ratepayers, generally speaking, will be satisfied; and the figures I have quoted of amounts they will pay support that view. I am of the opinion we can support this Bill with every confidence.

MR. KELLY (Merredin-Yilgarn) [10.31 p.m.]: This Bill is supposed to introduce a new principle which is to come into operation on the 1st January, 1965, and it purports, among other things, to be a pay-as-you-use system. Of course, if that objective were genuinely achieved the measure would have considerable merit. But, from an analysis of the Bill, and after hearing the various members who have spoken to it, I have very grave doubts whether the objective will be achieved.

I think it can be said that possibly some slight advantage is gained by consumers who under the old system did not use the full amount of rebate water to which they were entitled. Of course, if these people were given a proper pay-as-you-use system they could be advantaged to some small degree. The sliding scale method of appraising payments or accounts could, in the category above the £100 valuation, show some slight increase; and, of course, as the amount increases, the consumption increases and so the sum paid after the 1st January, as compared with now, will greatly increase.

I heard some of the figures quoted by the honourable member for Narrogin and a little later on I hope to put him right, because I think he read the scale back to front. In any case, the scale from which he read, and the copy I have, show entirely different figures; and I think the legislation looks entirely different when one examines it closely. When the Minister introduced the Bill, from the remarks he made it appeared as though country consumers would receive some advantages; but when one looks closely at the Bill and compares it with what the Minister had to say one finds that the two propositions are not on all fours with each other. A full realisation of the annual overall cost to consumers could not possibly be known until the accounts have been issued in January, 1965.

The Minister and the Premier claim that the Government will lose £31,000 a year. I think the honourable member for Mt. Marshall clearly showed how that sum would be lost to the Government! I could not imagine the present Minister for Works or the Premier acting as benevolent societies under any circumstances. When we went further into the question we became convinced that this loss to the Government of £31,000 was only a myth; but even if it were not, how far would £31,000 go among 50,000 consumers?

Of course, the Minister's contention that the Government would lose £31,000 could not be substantiated, and so from that aspect alone the Bill has come here under false colours; and it is not very elevating to find that sort of thing happening. It would have been much better had we received a frank introduction of the Bill based on the actual clauses in it. The scale showing the various amounts that will be paid after the beginning of next year indicate conclusively that what the Minister said is not correct. I think it can be said that with the valuations of £100 and upwards, which was where the honourable member for Narrogin began his observation of the comparative sheet with which we were supplied—

Mr. W. A. Manning: I said £105.

Mr. KELLY: The honourable member said £105, but I have taken £110 as the figure. I think the annual costs to all country consumers will be higher—not to one bracket but to all of them. Therefore this Bill will do a tremendous amount of harm in country areas. Obviously the honourable member for Narrogin was wearing his double vision spectacles when he read his extracts from the chart!

Mr. O'Connor: I think you had better get someone to find out who is right.

Mr. KELLY: I will come to that in a moment and read exactly what is on the chart. I took out a few figures in connection with the accounts of a farmer under the new set-up as compared with the present rate. Under the new rate a farmer with a property of 3,000 acres carrying 1,500 sheep—and the new rate is 2.4d.—would pay £30. If he consumed a total of 348,750 gallons, which puts him in a higher bracket than any of those shown on the sheet, for the first 100,000 gallons he would pay 2s. per 1,000 gallons for the first 60,000 gallons, and 2s. 6d. per 1,000 for the other 40,000 gallons, or a total of £11. That would have to be added to the £30 already referred to. The balance of the water consumed—namely 248,750 gallons—would have to be paid for at 5s. 6d. per 1,000 gallons, and would amount to £68 8s., or a total of £109 8s. That is what it would cost him under the new rate.

Under the existing system that same farmer pays £70 3s.; so, in other words, his rates under the new system will be

increased to the tune of £39 5s. Goodness gracious me; there is nothing benevolent about a system of that kind! The same comparison can be shown wherever farmers in the Merredin area are drawing water from the scheme. I think the honourable member for Mt. Marshall a few moments ago showed us just how hard the four towns he mentioned will be hit under the proposals in this Bill. Also, as the honourable member for Gascoyne pointed out, there is nothing to prevent the Minister from raising every valuation in an area that comes under this new scheme.

In that case, of course, the valuations would not be as shown on this chart; they would be greatly increased.

To put the records right for the benefit of the honourable member for Narrogin, among many figures which he quoted was the valuation of £160, in which instance the consumer used 120,000 gallons of water. Under the present rate he would pay £24 10s., and after the 1st January on 120,000 gallons consumed, he will pay £26, an increase of 30s. Therefore, although the Minister has been endeavoring to tell us that he is trying to make the rates conform with those in the city, in actual fact, we find a greater disparity. Under the old rate, the consumer in the country who uses 120,000 gallons will pay £26, but a similar consumer in the city will pay £13; exactly half the amount paid by his cousin in the country.

Mr. W. A. Manning: You don't agree with that, do you?

Mr. KELLY: Therefore anomalies can be found right throughout the examples on this sheet, and the greater the quantity of water that is consumed, the harder it will be for country people. It is absolutely ridiculous for the honourable member for Narrogin to make the comments he did about the conservation of water. If the honourable member can tell me there is any common sense about this scheme I am afraid I will take a lot of convincing. I would point out to him that it is the people in the country we have to convince and not just the members in this House. Country people are not fools; and after the 1st January next year, unless there is a great delay in the issuing of these new accounts there will be many country people who will know exactly how they stand under the new scheme.

Many examples have been given. The Deputy Leader of the Opposition not only quoted many examples, but also many convincing examples of what effect the legislation will have on consumers. If the Minister is serious about this business he will realise how great will be the effect of this new scheme on country people, and he will not hesitate to withdraw the Bill and bring another measure forward which will be more likely to improve the conditions we are trying to achieve. I could use an adjective in regard to this proposed

new scheme which would not be permitted in this House, but no term which could be used would be strong enough to condemn a measure of this kind.

The aspect of conservation raised by the honourable member for Narrogin is something which the Government cannot justify. I do not think there is any ground for imposing these steep increases; but this is what this Bill will bring about when it is realised there is no rebate water; and although the "pay-as-you-use" system may have a great deal of merit, it has no merit whatsoever when one considers the conditions outlined in the Bill. I am of the opinion that the Minister or his officers have overlooked some calculation, or else he has had the wool pulled over his eyes by the members of the committee which made the recommendations upon which the Minister is operating.

There may be some merit in the final amendment proposed by the Minister, when the amount will be reduced from 5d. to two and two-fifths pence. That will afford great relief, but the damage is done in other parts of the Bill. Therefore, whatever relief can be claimed in the amendment foreshadowed, it will be destroyed by the earlier parts of this legislation. Both the Premier and the honourable member for Narrogin have claimed that there are scores of anomalies which will be eliminated. In my opinion, not only could the statements in that regard be discounted but it could also be said that the number of anomalies will be increased with this legislation.

Mr. W. A. Manning: You have not had a good look at it.

Mr. KELLY: I have had a good look at it, and I am certain the Bill will not help in the least to rectify existing anomalies. I think the Deputy Leader of the Opposition brought forward a very convincing point when he touched on the subject of taxation deductions, and the fact that this Bill will prevent taxation deductions being made on the returns of many people which this Bill will affect. This is an aspect to which the House could give a great deal of thought, and it is one at which those members representing farming constituencies should have a second look before they give the right-of-way to a Bill of this nature.

MR. HALL (Albany) [10.47 p.m.]: At first glance, the measure before the House appears to have some merit, but the Deputy Leader of the Opposition, in his remarks, proved conclusively from the facts and figures he produced that it has very little merit. There is no doubt that he must have spent a great deal of time and preparation on the charts and the figures in relation to valuations and water charges which he has produced for the information of the House. I could pay some commendation to the Minister for trying to introduce a Bill to bring about uniform water rates for the whole of the State, because I have been making efforts during

both last session and this session to have uniform electricity charges for both the country and the city.

When one realises that the country householder pays almost twice as much for water as his counterpart in the metropolitan area it is not hard to visualise the feelings of the people in the country, and their anxiety to have such an anomaly rectified. I have here a newspaper article taken from *The West Australian*, of Thursday, the 24th May, 1964, in which is set out a comparison of charges. This comparison is as follows:—

Comparison of Charges

Here is a comparison of charges and water allowances on a property with a rental value of £6 a week:

	£	s.	d.
Rental value of property	312	0	0
Less 40 per cent.	125	0	0
Ratable value	£187	0	0

Country

Rate at 3s. in £1	£28	1	0
Water allowed (1,000 gal. per 4s.)—140,250 gallons.			

Metropolitan

	£	s.	d.
Rate at 6d. in £1	4	13	6
Water allowed (1,000 gal. per 2s.)—46,750 gallons.			
Excess (93,500 at 2s. 6d.)	11	13	9
Total for 140,250 gal.	£16	7	3

The Deputy Leader of the Opposition spent some time elaborating on the country charges, and they have been exposed by most of the honourable members who had anything to say.

One thing that worries me in the measure is the effect of valuations. I would refer back to the stir that occurred in Albany on the occasion of the last revaluation when the rating jumped from 2s. 6d. to 2s. 9d. There was quite a bit of concern and turmoil, and a public meeting was called. On that occasion one of the officers from the department came down, and suffered a barrage under really hostile conditions. I think he should have been given the V.C., or been promoted. However, I think he has since been promoted. On that occasion he certainly stood the brunt of the action.

That was my first introduction to any movement of valuations which had an effect on water supplies and rating generally. The next move will be from 2s. 9d. to 3s., and it becomes a pay-as-you-use charge through the meter. On the face value of some of the valuations, some people might get slight relief, but on the overall basis there will be an increase in Albany. The matter has been referred to this evening, and the Deputy Leader of

the Opposition emphasised the loss in taxation rebates. Not only do we lose the rebatable amount of taxation but we do not get any excess water, so we will be in the same position again.

The man who conserves his property and looks after it will naturally be reducing his use of water. The other fellow, with a big home and a big family, will have his valuation done on a net annual value, and the more he improves his property the more will be his value, and his rate valuation will increase. I anticipate a late increase either in the latter part of December, or an early increase in January for the revaluation in Albany.

If we see the trend we can picture what will happen. Any slight advantage we may gain now under that past valuation will be more than offset. This is borne out by the trend over the past years. Previously the valuations were based on unimproved capital values, but now it has switched to the N.A.V. I would like to quote the trend in land values from 1901 to 1958. Under the heading of "Site-Value Rating Group we find the following:—

Unimproved Land Value in £ per Head of State Population.

	At 1901.	At 1937.	At 1958.
	£	£	£
Queensland	87	72.5	166
New South Wales	104	116	330
West Australia	93	104	206

So we can see that the tendency is to increase the valuation, and anything we might gain when the revaluation takes place in the latter part of December, or very early in January, will be offset when the revaluation in the town of Albany takes place. When the Minister replies he could perhaps tell us whether this would not be applicable all over the State.

The person who is putting his best foot forward and improving his property, and perhaps looking after a bigger family, will have a higher net value assessed against him, and he will have to suffer higher charges. We could also say that rents will increase, because once rates are increased the landlords will not carry the burden; and as it is overrated, the domestic consumer will have to pay more. Business premises may be able to claim for excess rates whereas householders cannot. So the business premises will receive something back for excess water charges as business costs.

Mr. O'Connor: Are those figures for the metropolitan area as well?

Mr. HALL: Yes. As I said, the business firms will be able to claim this as a taxable deduction, whereas the person who is keeping a house will not be able to do so. So we will be placing a further burden on the householder and the worker. They are already bearing enough, as is evidenced by the rising costs of living, and so on. I

would draw the attention of the Minister to questions asked relevant to appeals. I asked the following questions:—

- (1) How many appeals were lodged with the Public Works Department Country Water Supply Branch against excessive increased water charges for the years 1961, 1962, 1963, 1964?
- (2) Of the number of appeals lodged for the respective years, how many were upheld and how many were disallowed?
- (3) What are the names of the towns where appeals were lodged and what was the number of appeals lodged in the respective towns for the years, 1961, 1962, 1963, 1964?

The Minister replied as follows:—

- (1) Country water supplies appeals lodged were as follows:

1964	1963	1962	1961
73	282	184	525

- (2) Appeals upheld:

1964	1963	1962	1961
27	103	115	235

Appeals disallowed:

1964	1963	1962	1961
46	179	69	290

- (3) The names of the towns where appeals were lodged and number of appeals, with decisions given, are shown on the following list:—

This is rather an interesting matter, and I will read it out front to get the full effect of it.

I made a reference back to 1963 when we had that rumpus. We also see that the appeals lodged in 1961 show a decided disturbance among the public of the town. The total number of appeals lodged in Albany in 1961 was 274; the number allowed was 103; and the number disallowed 171. In 1962 the total number lodged was 184; the number allowed was 115; and the number disallowed 69. In 1963 the total number lodged was 282, of which 103 were allowed and 179 disallowed. In 1964 we find that 25 appeals were lodged, of which eight were allowed and 17 disallowed. I could go on through the chart but it is very comprehensive and the hour is late.

It will be noticed from the trend of appeals that they started off very tenaciously and with great sagacity, but as time went on they appeared to get weaker. I surmise they decided it was useless appealing, because nothing was being done. I see that the Bill contains a clause giving a right of appeal. I wonder what the result of that is, because when a great number of appeals was placed before the department no good purpose was achieved; and, as a result, the number of appeals dropped off. This is borne out by the fact that in 1961, 274 appeals were lodged, whereas in 1964 only 25 appeals were

lodged. It would appear, therefore, that no headway was made so far as appeals were concerned.

I would support the measure if I could be assured that the valuations would not be increased to a large extent. If they are increased we will lose any advantage which we may gain from the measure. In 1961 the rate was increased to about 2s. 6d.; in 1963 it went up to 2s. 9d.; and now it is 3s. The biggest loss will be in taxation refunds. On my own assessment I used to receive about £16, but I will be getting back only £6 17s. 6d. under this particular method of charges. Business people will be able to make a legitimate taxation deduction for water charges, whereas householders will not.

I reserve my opinion on this measure until it is dealt with in Committee. We were enlightened by the contribution of the Deputy Leader of the Opposition when he outlined the charges which he had prepared. He should be complimented for the work which he has done, because he brought out many features in the Bill of which we were not aware.

The Bill is an attempt to bring about some uniformity and equalisation in charges. The people in the country areas can only compete with their counterparts in the city if they get some relief from the heavy burden of charges. The manufacturer in the country gets water at a charge comparable with his counterpart in the metropolitan area; but the worker in the country is at a definite disadvantage in the water rates he pays, as compared with the worker in the city.

MR. OLDFIELD (Maylands) [11.2 p.m.]: I am quite amazed at the attitude of the Country Party members towards this measure. They showed so little interest in it that until a few moments ago there was only one of their members in his seat in the House, and he was the Deputy Premier. Whilst I have been on my feet, two other Country Party members have come into the Chamber, and I see another on his way.

This measure is an instance where the Country Party members have sold their electors down the Liberal drain. I cannot understand how Country Party members can conscientiously support a measure such as this. It is quite obvious the stage has been reached where the Country Party in this State is being dictated to by the Liberal Party. There were times in days gone by when the Country Party stood firm in a coalition government, and in a measure such as this or one to increase rail freights the Country Party members would have thrown it out. Evidently in these days the Liberal section of the Government has greater strength of character than the Country Party section, and it can say to

the Country Party, "If you do not support this measure there will be no coalition government."

Mr. W. A. Manning: How little do you know!

Mr. OLDFIELD: I cannot understand why Country Party members have fallen for this three-card trick. The story has been put to them, and they have accepted the story, that this measure will be the means of saving water and saving the people money; and the overall charge for water will not be any greater. One can fiddle around with figures and make them put up a very good case; but in this instance I would point out to the Country Party members that even if the measure does have the desired effect of saving water, the resultant effect in the country will be for the people to pay more per gallon at all times.

If the measure results in a 50 per cent. reduction in the present consumption of water, then next year the rates will no doubt be doubled, either through increased valuations or by amendment to the Act. That will have to take place, because the water board has to receive a certain amount of revenue each year. It has to derive sufficient revenue to meet its commitments, regardless of how much water is consumed. The board will require a certain amount of revenue and it will rate accordingly.

We had the experience in the summer of 1958-59 and for several years, in succession when, as a result of acute water restrictions in the metropolitan area, because the water from the hills could not be conveyed through the conduits to the service reservoirs to provide the people in the metropolitan area with sufficient water, the normal amount of water was not consumed, and the department found there was a deficit of £300,000 to £400,000. When the department realized that restrictions on the consumption of water would have to be impaired, because the conduits had not been completed and water from the Serpentine Dam could not reach all the reservoirs in the metropolitan area, it increased the water rates.

In this instance the less water that is consumed in the country the higher will be the rate per gallon. There is no gain-saying that. The honourable member for Narrogin may stroke his chin, smile, and put up a good speech, and by so doing think he has placated the people of that centre; but when the people of Narrogin find that the rates are increased after they have used 40,000 gallons instead of 60,000 gallons of water, and they still have to pay the same amount as previously, they will not be happy.

Mr. W. A. Manning: How much time have you spent in examining this scheme?

Mr. OLDFIELD: I do not intend to go through all the details in the Bill, because that has already been done.

Mr. W. A. Manning: Obviously you could not.

Mr. OLDFIELD: The honourable member for Narrogin said there was a safeguard in the Bill to ensure that a maximum rate would be charged, but the amendments appearing on the notice paper will cover that. I know why they appear on the notice paper. If the amendments had not been agreed to by the Government it would not have been able to proceed with the Bill, because the honourable member for Mt. Marshall would not have supported it. That was the pay-off to the honourable member for Mt. Marshall.

Mr. I. W. Manning: That is a wild guess.

Mr. OLDFIELD: Of course it was! One does not have to be an Einstein to work that out. I shall not deal with every part of the Bill, because it has been adequately covered by far better speakers, including the Deputy Leader of the Opposition, than I. I think the argument adduced by the Deputy Leader of the Opposition would convince any reasonable and sane-thinking person, but evidently that is not the case. There is logic in what he says, and no-one can deny that logic.

If the consumers use only half of the water which they used previously, with a resultant loss in revenue to the Water Board, there will have to be an increase in the rates in the following year, in order to enable the board to derive the same amount of revenue to meet its commitment. The maximum rate of 1s. 6d. in the pound does not appear in the Bill, but in the amendment on the notice paper. That, together with the 2.4d. rate per acre can be amended next year, if they are not sufficient to give the board the amount of revenue that it requires for its commitments. If the amount is insufficient the Government will have to introduce an amending Bill, and members of the Government will have to support it because it would be a financial measure.

It is quite obvious at this stage that the Country Party members have let down their electors, by falling for the three-card trick. They are supporting a measure to which they have not given any thought and the few who have given some thought to it have made an abject apology for supporting it. I oppose the measure.

MR. WILD (Dale—Minister for Water Supplies) [11.9 p.m.]: I thank honourable members who have contributed to this debate. I shall not delay the House very long in replying. A few salient points came out of the debate, the first of which was the charge that this measure is a confidence trick.

The Bill contains no new principles; they are the same as those which appeared in the first Statute passed not long after the turn of the century. Never have the

charges or rates to be imposed been included in this particular type of legislation. All that has ever been shown before in an Act is the two maximums. Therefore, because we do not show it in this particular measure, it is no different whatsoever.

A committee from the joint parties looked into this matter over many months; and, following a close investigation by Treasury officers and the accounting section of the Public Works Department, the Government has come forward with a measure that in principle is no different from the first one that was ever placed on the Statute book.

At this point I want to pay tribute to those who put in so much work to really bring this Bill about. I think there are very few honourable members who realise the number of meetings that were held by this committee, chaired by the now Minister for Education. Many dozens of meetings were held, and lots of evidence was taken from private people. The members of the committee finally came to what they thought was a fair determination for bringing about an equitable method of providing water and charging for water in the country areas of Western Australia.

Naturally, when one is endeavouring to change something that has been on the Statute book for 50-odd years, it is not very easy. Therefore, some of the thoughts the members of the committee would have liked to see implemented were referred to the Treasury to see what the ultimate financial effect would be and there had to be some variations. However, I would like to say publicly to those who put in so much time that the Government and the Parliament of Western Australia are indebted to them for the great amount of work they did.

One point has been raised which we will have a look at, because it has a lot of merit in it. I refer to the question of the see-sawing of valuations. Ever since the Act was first put on the Statute book, and looking back over the past 20 or 30 years or more, there have always been some districts dragging their feet. We had exactly the same position in the metropolitan area; and honourable members know that because of that, we decided to institute a system whereby a valuation would take place every three years. We have not had one yet, but there will be one next year.

There is a lot of merit in having these valuations done by the officers of the Taxation Department; and it is my intention, after having a discussion with the Premier in Cabinet, to have a talk with Mr. Steffanoni, of the Taxation Department, to see if he can bring this about. I think it is by far the best way; and it saves a lot of inter-town jealousy. One town is able to say at the moment, "We had our rates raised this year" and

the next one says, "We have not had them raised for the past three or four years."

Another point raised was that of appeals. Previously appeals to the Metropolitan Water Supply Department were appeals from Caesar to Caesar—we have all made that statement—so we set up an appeal board in order that anyone would have the right to come along and state his case. If my memory serves me right, in the first full year—about three or four years ago at the most—something like 40-odd per cent. of the people had their appeals upheld in some form or other; and in regard to the country, this would be an excellent idea.

Honourable members know that under the present system, an officer of the department goes to the country. The people are notified that he will be in a certain town at a certain time. They come along and give evidence and he, in turn, submits his finding to the Minister of the department. Naturally, when one looks through these findings it is difficult to override the officer's decisions, because one does not know anything about the matter raised. He takes his evidence on the spot and one has to be guided by what he recommends. There is quite a lot to commend the suggestion made in regard to appeals and I will discuss it with the Premier in Cabinet in the course of the next few days.

My final point is rather interesting. Some two years ago a change was instituted in the metropolitan system in Western Australia, and most of the other States looked askance at this change. However already South Australia is doing the same thing; and we had a visit a few months ago from officers of the Victoria Metropolitan Water Supply Department, which is toying with the idea of introducing this legislation.

Mr. Tonkin: When did South Australia pass the necessary legislation?

Mr. WILD: I did not say that South Australia had passed the legislation. The honourable member may have noticed in the Press a couple of weeks ago that George Pearson, the Minister in charge of water supplies, announced the fact that they were going to adopt a pay-as-you-use system. I rang him up and he said how glad he was and that it was really as a result of a visit to Western Australia by his officers to obtain details of the scheme. It has been announced in the Press that it is being implemented in South Australia.

This is a step in the right direction, as some honourable members have said. Two fundamental things have to be considered. One is to try to get equity throughout the length and breadth of Western Australia in regard to charges; and no-one knows better than my predecessor, the Deputy Leader of the Opposition, how difficult it

is. It is something that has been going on for donkey's years, as was so aptly put by the honourable member for Narrogin, who was a member of the committee. I know that when I looked at the variable rates, it shattered me, and I am sure it shattered the committee too. Therefore the first thing to be done was to endeavour to bring about equity.

The question of conservation of water is very important. In the year 1964 after we have had terrific rains and the dams are full, it sounds peculiar to talk of saving water, but as sure as we are in this Chamber this evening, unfortunately in a matter of a few years, when seasons get back to normal and we have a bigger population, the question of conservation of water will be one of the prominent things affecting the future of Western Australia. I again thank all honourable members for their contributions.

Question put and passed.

Bill read a second time.

In Committee

The Chairman of Committees (Mr. I. W. Manning) in the Chair; Mr. Wild (Minister for Water Supplies) in charge of the Bill.

Clauses 1 to 9 put and passed.

Clause 10: Section 48 repealed and section substituted—

Mr. NORTON: This is the clause to which I referred in my second reading speech, and it provides the Minister with alternative methods of rating. Under paragraph (b), I wish to quote two instances concerning State houses in Carnarvon. The A.R.V. of one house is £109 and it is being let for £4 18s. 6d. per week. When worked out according to paragraph (b), this will give an annual value of £154, which means an increase of £45 or 41 per cent. Likewise the A.R.V. on another house is £94, and that is being let for £4 4s. 6d. a week which gives the annual value of £132, an increase of 40.5 per cent. This means that another £2 17s. in the actual rates would be charged.

This provision allows the Minister to increase the rating without increasing the rate itself. This allows the Minister under an amendment to section 64 to vary the valuations from time to time and from place to place within an area. I therefore move an amendment—

Page 5, lines 24 to 31—Delete paragraph (b) of proposed new section 48.

Mr. WILD: This is no different to what it has been in the Act. The power is in the Minister's hands and always has been. It is no use shackling him now. When by-laws are promulgated it is the prerogative of Parliament to disallow them. This provision does not mean to say that the Minister is going to take action, but if we go back to 1912 when the Act was first introduced, and consider the cost of water and the much lower basic

wage, we must realise that there has been a gradual increase. It would be absolutely useless to agree to this amendment.

Mr. NORTON: The Minister said that Parliament has the prerogative to disagree with any regulation from time to time. Parliament also has the prerogative to disagree with an amendment being made.

Mr. Wild: That is fair enough.

Mr. NORTON: Whilst this provision is practically the same as that in the parent Act, there is no reason why we should not now delete it. The Minister indicated that one of the purposes of the new type of rating was to save water; but the position is that the department has to obtain a certain revenue, and if it is not selling water it will have to get that revenue by other means; and that is by creating a rating. I believe Parliament should have a say in what rating is to be charged.

Mr. CORNELL: I cannot quite follow the honourable member for Gascoyne. I think this is merely a play on words. I must be dumb, but I cannot see that there is a great deal of difference between the present provision in the Act, and paragraph (b) on page 5 of the Bill. I think if the honourable member for Gascoyne has another look at this he will realise he will not be much better off than he is now.

Mr. NORTON: I must agree that the provision is more or less the same as that in the Act, but I feel it has cleared the position a little. If we take the average amount of rent as a basis, we could get quite a big difference in the rating, as I explained before in reference to the houses at Carnarvon. That is the reason I am objecting to the provision. I believe we should have a standard rating because we are trying to achieve uniformity throughout the State. If one town is assessed on paragraph (a) and another on paragraph (b) we are immediately departing from uniformity.

Mr. TONKIN: Although, as the Minister said, this has been the law for many years, the honourable member for Gascoyne has a point. It was argued that one of the purposes of the amending legislation was to remove anomalies, but the alternative provisions here make it possible to create anomalies. For instance, it is well known that in certain parts of the State houses are in short supply, especially rental houses. Because of the demand for a limited number of houses rents are much higher in those isolated parts than they would otherwise be.

A man who is living in his own house is not concerned about how much he would get for it if he let it to somebody. He is prepared to pay his rates on what is regarded as a fair A.R.V. But if the Minister takes it upon himself to rate on a rental basis in Broome or Derby, then it could

very well be that the amount of service charge being paid by the people in those districts would be considerably out of line with the service charges being paid in other districts where the value taken is A.R.V. and not the value arrived at by the estimated full fair average rent which the land might reasonably be expected to let for from year to year.

The honourable member for Gascoyne is quite justified in putting up a fight for the people in his district, because his district is one that is likely to be most adversely affected by this alternative of determining the value for rating purposes on the amount of rent which is likely to be charged, more especially where we have a number of State rental houses. This is one point which has been overlooked in this supposed scheme for removing anomalies. The State Housing Commission will not reduce the rents of the houses because it will be paying less rates for the property.

Mr. W. A. Manning: How do you know it won't?

Mr. TONKIN: It has not done it so far. It hasn't done it in the metropolitan area.

Mr. W. A. Manning: It hasn't happened in the country.

Mr. TONKIN: It has happened in the metropolitan area. It is happening all the time; but the State Housing Commission has not reduced the rents. It has had the effect of reducing the amount of rebate water available in the metropolitan area, with the result that the tenants are worse off now than they were before. It will be worse in the country. We have had no undertaking from anybody that when this legislation goes through the State Housing Commission will forthwith reduce the rents by the lesser amounts being paid for rates. We have to take into consideration that no rebate water will be allowed. So if tenants are to pay the same amounts in rents as they paid before, and buy all the water they use, then this is going to be a wonderful scheme for them, I don't think!

I repeat that the honourable member for Gascoyne has definitely got a point when he says, "Why not rate all the districts on the A.R.V.? If you want to get rid of anomalies, why not say, so far as all districts are concerned, you shall rate on the A.R.V. and shall not have the option of adopting this alternative of taking a sum equal to the estimated full fair average of the rents, less so much?"

If it is there, then I take it that it is intended to be used; and if it is to be used, it could result in creating anomalies between districts. For the reasons advanced by the honourable member for Gascoyne, I hope the Minister will have another look at this.

Mr. WILD: As I have already said, we do want uniformity. I have been looking at the three alternatives in an effort to understand why they should be there. This has

been in the Act since it first appeared on the Statute book. It could have been that they had their own local office and valuers did not go there. However, I will undertake to have a look at this matter; and if there is any sound reason why they should remain in, I shall have to leave them in; but if, on the other hand, we can bring it down to one, then I am prepared to do that, and I will get it done in another place.

Amendment put and negatived.

Mr. WILD: I move an amendment—

Page 5, line 33—Delete the word "unimproved."

This was inserted unintentionally by the Parliamentary Draftsman.

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 11 to 16 put and passed.

Clause 17: Section 65 amended—

Mr. WILD: I move an amendment—

Page 8, lines 5 to 14—Delete subsection (1) and substitute the following:—

(1) In the case of ratable land that is not farm land, the water rate shall not in any one year exceed—

(a) on holdings or parts of holdings classified for the purposes of the class prescribed pursuant to section sixty-three A of this Act as domestic purposes, one shilling and sixpence in the pound; and

(b) on holdings or parts of holdings classified for the purposes of any class so prescribed other than as domestic purposes, two shillings in the pound,

of the estimated net annual value of the land; but where the water rate computed on the estimated net annual value of a holding, or as the case may be, part of a holding, would be an amount less than one pound, the Minister may fix the water rate to be charged at the amount of one pound.

Amendment put and passed.

Mr. WILD: I move an amendment—

Page 8—Insert after paragraph (b) in lines 15 to 18 the following paragraph to stand as paragraph (c):—

(c) by substituting for the words "five pence" in line two of subsection (2) the passage "two and two-fifths pence";

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 18 to 23 put and passed.

Clause 24: Section 105 amended—

Mr. TONKIN: This clause makes the amendment to provide for the levying of a service charge in lieu of rates, and the

argument is that this will result in a reduction in the consumption of water. I will tell the Minister that it will not result in the reduction of consumption by as much as 1,000 gallons. It did not do so in the metropolitan area and it will not do so in the country, either.

Mr. Wild: They haven't got the alternative in the city that they have in the country.

Mr. TONKIN: It is the same principle.

Mr. Wild: No; it is not.

Mr. TONKIN: It is; because what the Minister did in the metropolitan area was to reduce the rate in the pound from 1s. 6d. to 1s. and thereby reduce the amount of rebate water, which forced a number of people who previously did not use excess water into using it. They could have reduced consumption in the metropolitan area if they had been content with the lesser rebate allowance. So it is exactly the same principle although it might be a little different in application; because, so far as the country is concerned, the people will have to buy all the water they use; whereas in the metropolitan area they only buy, in addition to the rates they pay, the amount of water they use.

But the point is that the change in the metropolitan area was made for the purpose of reducing consumption, and so the amount of rebate water available was reduced in quantity so that those who wanted to save money could do so by being content to remain within the reduced water allowance. However, they did not do so and the result was that in the very first year of operation the metropolitan area reached its record consumption.

Mr. Brand: You are not overlooking the increase in population, of course?

Mr. TONKIN: No. There were 4,413 additional consumers.

Mr. Wild: You have to take the temperature into consideration, and the number of successive hot days.

Mr. TONKIN: If we are going to enlarge into that field it is inevitable that in a cool summer the consumption of water will fall. We have to take an average summer and compare it with the consumption prior to that; and the year to which I refer was an average summer. Yet the consumption of water went up and it will not be reduced in the country because of the substitution of this service charge.

While I am on the point of the service charge, which is to take the place of rates, I would like to tell the honourable member for Narrogin that he has no hope whatever of getting the Taxation Department to vary its policy and allow as a taxation deduction the amount spent on water.

Mr. W. A. Manning: How do you know that?

Mr. TONKIN: Because the department will not allow it in the metropolitan area now; and the honourable member forgets

that the system of rating in the metropolitan area used to be 1s. 6d. in the pound, so that if one's annual valuation was £200 one paid £15 in rates and was able to get £15 deduction in taxation. With the reduction in the rate from 1s. 6d. to 1s. in the pound the rates paid are £10 as against £15 which means that instead of having £15 as a taxation deduction the consumer is allowed only £10, and as he pays more for excess water he is at a distinct disadvantage.

Mr. Brand: Should we increase the rates to overcome that?

Mr. TONKIN: What I am saying is that the Government did not achieve what it set out to achieve.

Mr. Graham: It subsidised Bob Menzies.

Mr. Brand: As least it gave the people an opportunity to save water and so save money.

Mr. TONKIN: I would like to know what opportunity a man with a garden has of saving money when he knows that if he does not turn on the sprinklers his lawn will die.

Mr. Ross Hutchinson: Many people leave their sprinklers on for too long.

Mr. TONKIN: Not very many. They do occasionally.

Mr. Brand: What about the hundreds of people who have wells in their backyards?

Mr. TONKIN: It is an advantage to them because previously they paid for water they did not use.

Mr. Brand: They will have the same opportunity in the country if they have a dam or a windmill. They will be able to use that water and so offset the cost.

Mr. TONKIN: There will not be enough of them. The small proportion who will benefit will be more than counterbalanced by the large proportion who will not benefit in that way, because the tendency in the country districts, especially with farmers, if they can get the feed and the water, will be to run more and more sheep. One of the reasons for putting water on to farms is to increase the carrying capacity and the production.

Mr. Brand: That is so.

Mr. TONKIN: They cannot do that if they do not use the water.

Mr. Brand: They do that under any system.

Mr. TONKIN: I repeat: It will not reduce the consumption of water; it will increase the consumption. Under the previous system for the metropolitan area, when the Government rated at 1s. 6d. in the pound, and the initial water rate charges were issued, if a person's valuation was £200 he paid £15 in rates for water and probably another £15 for sewerage, which would mean a bill for £30.

That makes him sit up and take notice. He overlooks the fact that he has paid in advance for all the water he is likely

to require. The Government introduces a new system so that instead of being rated at 1s. 6d. in the pound for water he is rated at 1s., so his bill is £5 less than what it was before. Therefore, when he receives his bill he says, "This is a good scheme; my rates are £5 less than they were last year. This is a jolly good Government."

Mr. Brand: Hear, hear!

Mr. TONKIN: However, when he gets his bill later on for excess water and he pays £2, and then £3, he does not add the amounts and say that his water costs more than it did last year. In his mind is the thought that when he received his rate notice it was less than what it was previously.

Mr. Brand: It is not intended to be a trick, I might say.

Mr. TONKIN: It might not be intended to be a trick, but that is the result of it.

The ultimate result is that it does not achieve either of the things claimed for it by the Government. It does not result in a reduction of the consumption of water; nor does it result in people paying less, because actually the revenue of the department is greater than it was the previous year. Therefore, how can the people benefit? If, as a whole, they pay more for the water, they have not gained at all, but have lost as a group.

It is true that people with their own water supply schemes have saved a few pounds, but at the expense of the mass, and that will be the position in regard to this scheme, too; mark my words! The Government has embarked upon this scheme and the Country Party thinks it is a good idea, and the honourable member for Narrogin is enthusiastic about it.

Mr. Fletcher: He is at the moment.

Mr. TONKIN: We will see how it works out. My forecast is that it will not work out at anything like it is supposed to. Of course, with regard to certain towns which I have enumerated—towns such as Collie, for example, and towns in the northern parts of the State—they will be very much worse off; pounds worse off! I doubt very much, if the taxation angle is taken into consideration, that anybody will benefit.

The State will not receive the money, but the Commonwealth Government will enjoy the advantage of the taxation on half the amount of water rates which the people in the country have previously been paying. A man whose water rates previously were £20 a year, will now be able to claim only £10 for taxation deduction, and therefore will pay tax at the higher level of tax and not at the average rate. If honourable members have studied the imposition of taxation they know it rises by a decimal point for every pound of income, so this is to be calculated on the tax imposed on the higher level of income at half the rate previously paid and

so the loss in tax itself will cost some people £2, £3, £4, £5, and £6, which the State Government will not receive; but the Commonwealth Government will.

So when it is added up properly it will be found that this scheme will be of very little advantage—if of any advantage—to anybody, so one wonders why the Government has introduced it. This scheme enables the Minister to substitute a service charge in place of the rates which previously enabled a person to qualify for a certain amount of rebate water. After having paid their rates and lost their taxation deduction on half of it they will have to pay for every gallon of water they use; whereas in the metropolitan area consumers have a certain amount of water allowed to them after they pay their rates which, initially, are less than the rates being paid in the country districts. That is the situation and it will stay with us until the people fully appreciate what it is.

Clause put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

WORKERS' COMPENSATION ACT

Provisions of Amending Legislation:

Motion—Order Discharged

Order of the day read for the resumption of the debate, from the 9th September, on the following motion by Mr. W. Hegney:—

That following upon the recent statement of the Hon. Premier that legislation would be introduced during this session to amend the Workers' Compensation Act this House is of the opinion that the amending Bill should include, among other desirable provisions, the following:—

- (1) Insurance cover for workers travelling to and from place of employment and place of work.
- (2) Removal of all legal liability for payment by workers in respect of medical and hospital expenses incurred as a result of injury.
- (3) Substantial increases in compensation payments, including those contained in the schedules.
- (4) Compensation for industrial diseases or disabilities not already covered by the Act.
- (5) More reasonable treatment for partially incapacitated workers in certain circumstances.

MR. W. HEGNEY (Mt. Hawthorn) [11.58]: I move—

That Order of the Day No. 14 be discharged from the notice paper.

Motion put and passed.

Order discharged.

House adjourned at 11.59 p.m.