

**THE HON. V. J. FERRY (South-West)**

[9.47 p.m.]: I would like to contribute one or two points to the debate. Firstly, may I say I have not been approached by anyone who is in favour of daylight saving. However, I have been approached by a considerable number of people who are against daylight saving.

When he introduced the measure the Minister stated that, if this Bill were passed, daylight saving would be introduced for a specified trial period of one summer in order to see how daylight saving suited Western Australia in relation to the Eastern States of Australia and whether we could fit in with their altered times.

I would like to suggest that we have a trial period in reverse by leaving our time at standard time in order to see what the areas of difference and difficulty might be when clocks in the Eastern States are advanced one hour, rather than inconveniencing the majority of Western Australians throughout the length and breadth of the State by advancing our clocks one hour according to the provisions contained in the Bill under discussion. I believe that is a better way to conduct a trial period.

I agree with Mr. Withers that the Kimberley area of this State has a special problem in respect of time. I hope the opportunity will be given to Mr. Withers to suggest amendments to the Bill in due course, if he so desires, so that we can consider them in Committee. I do not think there is any harm in proceeding with the Bill to that stage in order to discuss the merits or otherwise of his proposals.

It should be remembered that in this State the time meridian based on 120 degrees east of Greenwich is somewhere in the vicinity of Southern Cross, running north and south, which means that on Western standard time those who live on the western seaboard—in Perth, Geraldton, and Carnarvon, for instance—already enjoy 22 minutes of daylight saving. The Western seaboard of this State therefore has permanent, built-in daylight saving of 22 minutes. It works the opposite way east of Southern Cross, but the majority of the population in Western Australia lives west of that line. I suggest there is no merit in putting our clocks forward one hour to give us one hour 22 minutes of daylight saving in this area of the State.

To summarise, I believe there is merit in examining the situation in the Kimberley area and in proceeding with the Bill to the Committee stage, when we can consider the amendments suggested by Mr. Withers. I also believe we should conduct our experiment in reverse by maintaining Western standard time in the coming summer, following which we can have second thoughts in the light of our experience.

Debate adjourned, on motion by The Hon. J. Dolan (Minister for Police).

House adjourned at 9.52 p.m.

**Legislative Assembly**

Wednesday, the 6th October, 1971

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

**QUESTIONS (32): ON NOTICE****STATE SHIPS**

1.

**Derby Jetty: Berthing**

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

- (1) Will the State ships *Wambiri* and *Beroona* be able to "sit on the bottom" beside the Derby jetty?
- (2) (a) If "Yes" is there any likelihood that the considerably larger vessels will distort the "wallow" which has been created by the K- and D-class ships?  
(b) Would an enlarged "wallow" adversely affect use of the port by ships other than *Wambiri* and *Beroona*?
- (3) (a) Will the recently acquired ships be able to gain access to the Derby jetty on neap tides;  
(b) if not, for how many days each month will access be hindered, and with what result?

Mr. MAY replied:

- (1) Yes.
- (2) (a) Yes, slightly.  
(b) No.
- (3) (a) Yes, except on approximately three or four occasions in a year.  
(b) See previous answer, and in any case berthing would only be inconvenienced at the outside for 24 hours.

2.

**KIMBERLEY CATTLE STATIONS****Subsidy Watering Points Committee**

Mr. RIDGE, to the Minister for Works:

- (1) Has the Kimberley cattle stations subsidy watering points committee been disbanded?
- (2) (a) If so, when and for what reason;  
(b) if not, who are the present members of the committee?
- (3) As at 30th June this year, how many subsidy applications were before the committee?

- (4) Have all applicants for assistance under the scheme been informed that the Government has not allocated any funds for expenditure during the current financial year?

Mr. JAMIESON replied:

- (1) No.  
 (2) (a) Answered by (1).  
 (b) Mr. M. McCleery, Public Works Department.  
       Mr. J. Morgan, Surveyor General.  
       Mr. E. O'Driscoll, Geological Surveys.  
 (3) One.  
 (4) No, since adequate funds are available in the Kimberley station boring subsidy trust account for present purposes.

### 3. POULTRY FARMS

#### *North of 26th Parallel*

Mr. RIDGE, to the Minister for Agriculture:

- (1) How many licensed commercial poultry farms are north of the 26th parallel?  
 (2) In what towns are they situated?  
 (3) Is there a restriction on the number of fowls which can be kept by northern egg producers?  
 (4) What numbers are they restricted to?  
 (5) How is the figure arrived at?  
 (6) Why is a restriction necessary?  
 (7) In their respective areas, can the northern growers meet the local demand for fresh eggs?  
 (8) In the case of the Kimberley region and excluding "chiller eggs", is there an alternative supply source for fresh eggs?  
 (9) Are northern growers required to pay a levy on producing hens?  
 (10) What is the rate of levy?

Mr. H. D. EVANS replied:

- (1) There are six licensed producers north of the 26th parallel of which four are north of the 24th parallel.  
 (2) Three of the six licensed producers are situated in Derby, one in Broome and two in Carnarvon.  
 (3) Yes. Any scheme of control production must provide for restrictions.  
 (4) Producers north of the 24th parallel have been granted licenses for the number of hens applied for

or alternatively where the number applied for has been considered excessive they have been granted a license for a number considered by the board as necessary to provide sufficient eggs to meet consumers' requirements in their immediate area.

The board has advised the producers north of the 24th parallel that on request consideration will be given to increasing the licensed number if requirements of local demand should warrant such increase.

Allocations of licenses to producers south of the 24th parallel but north of the 26th parallel have been dealt with similarly as producers throughout the rest of the State in accordance with the basis and numbers as approved.

- (5) An estimate of consumer requirements has been based on population of the immediate area in which the producers operate.  
 (6) To keep the overall State surplus to manageable levels.  
 (7) No. The board has advised the producers above the 24th parallel that consideration will be given to increasing the license number should local demand warrant such increase.  
 (8) Imports from the Northern Territory. Origin could be production within the Northern Territory or eggs obtained from South Australia and Queensland.  
 (9) All producers throughout Australia with the exception of those within the Northern Territory are subject to the provisions of the Commonwealth Poultry Industry Levy Acts and have to pay hen levy.  
 (10) The rate of levy is four cents a hen owned on each prescribed fortnightly levy day with the proviso that the sum of the twenty six levies imposed in any one year shall not exceed \$1.00.

By an arrangement between the Minister for Agriculture of the State of Western Australia and the Federal Minister for Primary Industry 95% of the levy paid by producers in certain remote areas including the north-west is remitted by the State Minister for Agriculture from funds payable to the Western Australian Egg Board.

Producers in other parts of the State are therefore in effect subsidising producers in remote areas to the extent of 95% of the levy paid by them.

## 4. MAIN ROADS FUNDS

*Allocation to Shark Bay Shire*

Mr. NORTON, to the Minister for Works:

- (1) What was the amount allocated from main roads funds to the Shark Bay Shire in respect of—
  - (a) Denham-Hamelin Pool road;
  - (b) the Useless Loop road; and
  - (c) other roads,
 in the year ended 30th June, 1971?
- (2) Were all the above allocations spent, and, if not, what moneys are held in reserve?
- (3) Were any road maintenance funds spent in the Shark Bay Shire, and, if so, what amount, and on what sections?

Mr. JAMIESON replied: \$

- (1) (a) Denham-Hamelin Pool road .... 30,000
- (b) Useless Loop road .... 35,000
- (c) Other roads .... 28,500
- (2) The following amounts were unexpended at 30th June, 1971:
  - (a) Denham-Hamelin Pool road .... \$ 3,160
  - (b) Useless Loop road .... 2,454
  - (c) Other roads .... 4,919
- (3) Yes.
  - (a) Useless Loop road .... 2,391
  - (b) Other developmental roads: (details of sections not available) .. 1,721

(2) Over what period is this development to take place?

(3) What facilities will be provided when the work is completed?

Mr. JAMIESON replied:

- (1) The dredging equipment will be assembled on site and ready to commence work towards the end of June next year.
- (2) Three years subject to availability of finance.
- (3) The facilities proposed are:—
  - (a) Dredged channel connecting service basin at Mangrove Point to Teggs channel.
  - (b) Service jetty.
  - (c) Slipway.
  - (d) Launching ramp.
  - (e) Parking areas at rear of service jetty.
  - (f) Road connecting the above parking area to the town.
  - (g) Power and water supply.

6.

## ROADS

*Funds: 1969 to 1972*

Mr. RUSHTON, to the Minister for Works:

For each of the years 1969, 1970 and 1971 and estimated for this year, will he advise the total State road funds, showing comparative itemised income and outgoings year by year?

Mr. JAMIESON replied:

The information requested is contained in a statement which is set out below:—

## 5. FISHING BOAT HARBOUR

*Carnarvon*

Mr. NORTON, to the Minister for Works:

- (1) When is a start to be made on the proposed fishing harbour at Mangrove Point, Carnarvon?

## State Road Funds

Collections and Expenditure for the Period 1968-69 to 1971-72

Funds	1968-69		1969-70		1970-71		1971-72 (Estimate)	
	Collections	Expenditure	Collections	Expenditure	Collections	Expenditure	Collections	Expenditure
	\$	\$	\$	\$	\$	\$	\$	\$
Motor Vehicle License Fees	8,260,715	9,018,981	10,644,448	10,596,684	12,606,231	14,347,161	12,900,000	14,670,000
Motor Drivers' Licenses	641,370		680,998		714,665		705,000	
Overload Permits	231,323		174,111		223,335		230,000	
Road Maintenance (Contributions)	3,209,689	3,065,514	3,623,970	3,556,717	3,990,359	4,130,631	*4,400,000	4,400,000
Transport commission	20,710	10,331	91,640	19,448	142,043	93,208	401,000	142,000
	\$ 12,309,813	12,114,826	15,218,167	14,172,849	17,676,633	18,571,050	18,606,000	19,212,000

\* or alternative funds.

## 7. LOCAL AUTHORITIES ASSISTANCE FUND

### Grants

Mr. RUSHTON, to the Treasurer:

- (1) Has the procedure been finalised for local authorities to obtain grants from the local authorities assistance fund?
- (2) (a) If so, what are the details;  
(b) if not, when can the local authorities expect to be advised of the procedure?
- (3) Will all local authorities be eligible to obtain a grant, or will a "means test" apply?

Mr. T. D. EVANS replied:

- (1) No.
- (2) and (3) Details of the scheme will be announced in due course.

## 8. TRAFFIC ACCIDENTS

### Metropolitan Area: Number

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

- (1) How many traffic accidents—  
(a) involving damage to property and/or life;  
(b) resulting in loss of life, have been reported to the police in the metropolitan area during the time between the 23rd and 27th September, 1971, inclusive?
- (2) How many similar accidents were reported during the same period last year?

Mr. MAY replied:

- (1) and (2) (a) Statistics are not maintained to enable the question to be answered.  
(b) 1970: four accidents, five deaths.  
1971: three accidents, four deaths.

## 9. POLICE

### Offences: Number in Metropolitan Area

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

- (1) How many alleged offences of breaking and entering, stealing or assault against life and property have been reported to the police in the metropolitan area during the time between the 23rd and 27th September, 1971, inclusive?
- (2) How many similar offences have been reported during the same period last year?

Mr. MAY replied:

(1) and (2)	1970	1971
Breaking and entering	89	163
Stealing	183	224
Assault	12	17

## 10. CIVIL DEFENCE

### Manning of Essential Services

Mr. RUSHTON, to the Premier:

- (1) Will he take action to ensure civil defence forces or similarly adequately trained persons are available to man essential services, such as the electricity supply, to provide supply of power for protection of life?
- (2) If not, why not?

Mr. J. T. TONKIN replied:

- (1) and (2) The emergency functioning of public utilities is best left with the expertise within that utility. On this basis Government utilities will continue to develop plans to ensure that the essential life of the community is safeguarded.

## 11. EDUCATION

### Patch Theatre Touring Company

Mr. HUTCHINSON, to the Minister for Education:

- (1) Is it a fact that the Education Department has withdrawn permission for the Patch Theatre touring company to perform plays at country schools?
- (2) If so, what are the reasons for this action?

Mr. J. T. TONKIN replied:

- (1) Yes.
- (2) In each of the three performing arts—drama, music and ballet—only one organisation has been approved to conduct performances in school time. This action became necessary on account of the considerable disruption in school programmes.  
In the field of drama, the National Theatre is the approved organisation.

## 12. RAILWAYS AND ROAD TRANSPORT

### Williams: Through Traffic

Mr. W. A. MANNING, to the Minister for Railways:

- (1) What was the tonnage of traffic through Williams each year since 1966-67?
- (2) What classes of goods were carried in the first and last years quoted?
- (3) What amount of local traffic, including road transport, was received and despatched during the same years?

Mr. MAY replied:

- (1) This information is not recorded.
- (2) and (3) Tonnages of traffic carried to and from Williams are as follows:—

Rall	1966-1967		1970-1971	
	For- warded Tons	Received Tons	For- warded Tons	Received Tons
Timber .....	.....	78	87	.....
Wool .....	840	.....	869	.....
Fertilisers .....	36	2,292	3	3,192
Wheat .....	729	4	584	2
Grain .....	8,992	16	6,436	11
Fruit & vegetables .....	.....	182	.....	115
Other goods .....	118	860	112	715
Livestock .....	.....	675	.....	225
Total rall .....	8,824	4,107	8,071	3,260
Road .....	*300	*684	421	537
Total .....	9,124	4,791	8,492	3,847

\* Estimated.  
Separate classifications of goods carried by road are not available.

### 13. OIL EXPLORATION

#### *Programme, and Representations to Commonwealth*

Mr. COURT, to the Minister for Mines:

- (1) Is the Government satisfied with the current programme of petroleum exploration being undertaken in Western Australia?
- (2) If not, what are the main causes of its dissatisfaction?
- (3) Have representations been made to the Commonwealth Government about—
  - (a) the present exploration incentives policy;
  - (b) the present indigenous crude pricing policy?
- (4) If representations have been made, what is the nature of the representations?
- (5) If no representations have been made, are any contemplated?

Mr. MAY replied:

- (1) and (2) Yes, but a major factor in the rate of discovery of petroleum is the money made available for exploration. Petroleum companies are required to negotiate expenditure commitments with the Government at the time exploration permits are granted. The commitments are considered to be at a satisfactory level but will become subject to review when the permits are renewed should any changed circumstances make this appropriate.
- (3) Not at present.
- (4) Answered by (3) above.
- (5) Representations will be made to the Commonwealth Government when considered appropriate.

### 14. POWER BOATS

#### *Registration Fee*

Mr. O'NEIL, to the Minister for Works:

- (1) Is it proposed to increase the registration fee for power boats from the current \$1 fee?
- (2) If so, what is the proposed increase, and when will it become effective?
- (3) How many power boats are currently registered in Western Australia?
- (4) What are the views of—
  - (a) the Power Yacht Association;
  - (b) the Yachting Association of Western Australia,
 in regard to any increase in fees?
- (5) What were the recommendations of the Minister's advisory committee on navigable waters in this matter?

Mr. JAMIESON replied:

- (1) Yes. The existing registration fee of \$1 per annum is completely inadequate to meet the costs involved in the administration of the navigable waters regulations insofar as they apply to power boats.
- (2) The proposed fees are as follows:
  - Boats up to 16 ft.—\$4 per annum.
  - Boats 16 ft. to 35 ft.—\$7 per annum.
  - Boats over 35 ft.—\$8 per annum.
 The new charges to become effective as from 1st January, 1972.
- (3) 18,312 paid registrations as at 30th June, 1971.
- (4) Both associations are opposed to increase in registration fees.
- (5) The recommendations of the advisory committee in detail were as under—
  - (a) That there should be no increase in boat registration fees.
  - (b) That the Fremantle Port Authority be approached for a substantial contribution towards the cost of departmental policing of the port area, as that authority was the prime mover in pressing the Harbour and Light Department to police the port authority area.
  - (c) That there be no alteration to the application of the boat registration system as it is now applied (sail boats not registered).
  - (d) That a boat's registration should lapse with the transfer of a boat to another owner

and a new registration fee should be charged against the new owner.

- (e) That the committee recommends to the Minister that provision should be made for a registration sticker to be affixed to registered boats, showing the financial status of that boat's registration. The colour of the sticker to vary for each year of financial registration, at cost to boat owner and additional to existing registration fee.

In elaboration of the answer I have just given, I would point out that we are undertaking an examination of how to give some recompense to the registered clubs and their membership in a form of rebate for the fees they pay, because we recognise the work they do in policing the regulations made under the Western Australian Marine Act.

15. **CENTRAL MIDLANDS  
NATIVE WELFARE COUNCIL**

*Mining Project*

Mr. COURT, to the Minister representing the Minister for Community Welfare:

- (1) Has he received a submission from the central midlands native welfare council about a mining project in the south-west?
- (2) If so, what action is proposed?

Mr. T. D. EVANS replied:

- (1) Yes.
- (2) At the request of the Aboriginal Advisory Council the submission has been referred to it for study and comment. Its views, when made known, will be considered by the Department of Native Welfare. The council meets this week.

16. **TOURISM**  
*Pilbara Region*

Mr. COURT, to the Minister for Tourism:

What action has been taken by the Government on the Australian National Travel Association survey of the Pilbara region tourist potential and of which he received a copy in April, 1971 (as reported in *The West Australian*, 3rd April, 1971)?

Mr. T. D. EVANS replied:

The Tourist Development Authority has liaised with and supported the north-west branch in the establishment of the Kimberley, North-West and Pilbara Travel Associations and the Northern

Travel Council. The latter is in the nature of a co-ordinating body designed to present a unified approach to industry and governments on behalf of the associations.

Although efforts have been made to attract developers of lower cost accommodation, very limited success in this direction has been achieved so far.

A survey of comparative costs in north and southern areas has been commissioned to serve as a guide to private enterprise in planning and also with a view to a special case being placed before the Commonwealth for assistance.

Several of the recommendations cover areas which had been investigated earlier and found impracticable or premature whilst the examination of others has shown that this applies to them also.

Costs are a major problem both in the private and public sector but the Tourist Authority is mindful that the recommendations in the reports of western research services and the A.N.T.A. team should be reviewed at regular intervals.

In this regard the Tourist Development Authority intends to extend its research activity with the establishment of a research and development department and in extending the basic research work undertaken in the 1969 Tourist Development Authority survey of the north-west and the 1970-71 Pilbara survey.

To co-ordinate planning and activity throughout the north-west, the Tourist Development Authority is to appoint a liaison officer who will work closely with all three Northern Travel Associations.

17. **CRUISING YACHT CLUB**  
*Rockingham: Site*

Mr. RUSHTON, to the Minister for Town Planning:

- (1) With the sailing season of the Cruising Yacht Club, Rockingham, opening on Saturday, 9th October, will he advise me the decision taken for the siting of the new club house and associated facilities?
- (2) How much land is to be provided for this purpose?
- (3) If the committee decision is not yet finalised will this be completed by next Saturday?
- (4) When the deliberations are finalised will he advise me of the decision?

Mr. J. T. TONKIN (for Mr. Graham) replied:

- (1) and (2) No decisions have yet been made on the resiting of the Cruising Yacht Club or on the site area.
- (3) No.
- (4) Yes. A meeting has been arranged for the 13th October between representatives of the Cruising Yacht Club, the Shire of Rockingham, the Department of Lands and Surveys and the Town Planning Department to try to finalise the matter.

# 18. KWINANA-BALGA POWER LINE

*Cost of Construction: Saving*

Mr. THOMPSON, to the Minister for Electricity:

In view of his recent announcement that electricity charges to metropolitan consumers are to rise by 21% will he reconsider the suggestion contained in a letter forwarded to every Member of Parliament on a way to save \$7,300,000 on the cost of construction of the proposed Kwinana to Balga power line, which suggestion could result in either no increase, or a much lower rise being necessary?

Mr. JAMIESON replied:

It would be several years before there would be any significant difference in expenditure on construction of one or two transmission lines. Hence the estimated saving of \$7,300,000 by construction of only one line would have virtually no effect on the present financial situation. In any event, duplicate lines are essential to safeguard system stability and security, and the Government is not prepared to jeopardise supply by adopting the suggestion that there be only one line.

# 19. FAT LAMBS

*Abattoir Facilities, and Price*

Mr. REID, to the Minister for Agriculture:

- (1) In light of the drastically reduced prices being currently offered by fat lamb exporters would the Government consider increasing the abattoir space allocation to farmers wishing to consign fat lambs to the United Kingdom?
- (2) Because of the excellent spring rainfall is there any possibility that the 18½ cents per lb. minimum for fat lambs can be extended into the first two weeks of December?

- (3) Is the Government aware that although the minimum export price per lb. is the same as last year, producers are being offered only approximately \$4 per head while at the same period last year \$5 per head was the comparable price?

Mr. H. D. EVANS replied:

- (1) No specific allocation of space is made to any clients of West Australian Meat Exports and all lambs submitted for export have top priority. However West Australian Meat Exports requires forward bookings of at least 14 days.
- (2) This is essentially a matter for decision by the Australian Meat Board.
- (3) Yes. The price differential may be related to the introduction of an import duty for lambs consigned to U.K. as well as increased freight rates. The duty is now 0.96 cents per lb. and from 1st January, 1972 will be 1.8 cents per lb. Ocean freights have been increased by 0.99 cents per lb. from 6.21 cents per lb. to 7.2 cents per lb. There are also problems with lamb skins that have a lower commercial value if affected with slaughtering damage and with less than one inch of wool. Such skins have no commercial value.

# 20.

## FARMERS

*Retraining Schemes*

Mr. REID, to the Minister for Education:

- (1) What farmer retraining schemes—
  - (a) are at present available in Western Australia;
  - (b) are likely to be soon introduced?
- (2) Would he give brief details of the same?
- (3) How should potential applicants apply for the courses?

Mr. J. T. TONKIN replied:

- (1) (a) Courses are available in accordance with the announcement of the Minister for Labour and National Service as published in *The West Australian* on Friday, 17th September, 1971.
  - (b) Information not available.
- (2) Full or part-time courses which will lead to the satisfactory vocational re-employment of the farmers. Commonwealth assistance towards fees and expenses is available for approved applications.
- (3) Applications should be submitted to the Commonwealth Department of Labour and National Service.

## 21. HOSPITALS

*Constructions: 1971-72*

Mr. BLAIKIE, to the Minister for Health:

(1) In which towns will the construction of new hospitals commence during the year ending 30th June, 1972?

(2) What is the estimated cost of each new construction?

Mr. DAVIES replied:

(1) (a) Paraburdoo—built and financed by Hamersley Iron Pty. Ltd.

(b) Wickham—built and financed by Cliffs Western Australian Mining Co. Pty. Ltd.

(c) Nursing Post, Ravensthorpe—financed by Government.

(2) (1) (a) and (b) As cost of buildings will be met by private companies, estimated costs are not known.

(1) (c) Not available until tenders received.

## 22. DOG RACING

*Kennels: Rezoning of Land in Canning Vale*

Mr. BATEMAN, to the Minister for Town Planning:

(1) In view of the interest shown by many people wishing to purchase land in the Canning Vale area for the purpose of building kennels for greyhound breeding and racing, has there been an approach by either the Shire of Gosnells or the Town of Canning to have an area set aside for rezoning for this type of industry in the Canning Vale district?

(2) (a) If so, can he give the area so proposed;

(b) if not, has he any objections to such a proposal to have certain areas rezoned?

Mr. J. T. TONKIN (for Mr. Graham) replied:

(1) and (2) Under the Canning Town Planning Scheme No. 16, the relevant uses permitted are "stables and rural pursuits". No reference is made to kennels or dog breeding but these could conceivably be considered as rural pursuits and could therefore be permitted in the rural zone.

In the Shire of Gosnells the area bounded by Evelyn Street, Ranford Road, Verna Street and Furlley street received preliminary approval for rezoning from "rural" to "rural zone—kennels area" on 30th July, 1971. Notice of this

proposed rezoning was published in the *Government Gazette* on 6th August, 1971. The proposal remains on public exhibition and for objection if desired until 5th November next.

## 23. RAILWAY SLEEPERS

*Kalgoorlie-Esperance Line*

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

(1) How many sleepers will be required to maintain the Kalgoorlie-Esperance railway line during the twelve months 1st July, 1971 to 30th June, 1972?

(2) What type of sleeper is to be used?

Mr. MAY replied:

(1) The number of sleepers required for actual maintenance purposes is approximately 4,000. A further 35,000 sleepers, approximately, will be used in the current up-grading programme.

(2) The new 7 ft. and 8 ft. jarrah sleepers are being used. In addition a number of second hand sleepers ex Esperance branch deviations will also be used.

## 24. CARAVAN PARKS

*Public Health Department Inspections*

Mr. BLAIKIE, to the Minister for Health:

(1) How many caravan parks in Western Australia have been inspected by the Department of Public Health since 30th June, 1969?

(2) Has the department any jurisdiction over caravan parks?

(3) Have any caravan parks been prosecuted for non-compliance with regulations by the department, and, if so, where?

Mr. DAVIES replied:

(1) 176.

(2) Yes. Regulations relating to sanitation in caravan parks have been promulgated.

(3) Yes, at Busselton.

## 25. HOSPITAL

*Katanning*

Mr. NALDER, to the Minister for Health:

(1) Has a decision been reached to proceed with the extensions to the Katanning hospital?

(2) When will tenders be called?

(3) What is the anticipated cost?

(4) When is it expected that the extensions will be completed?



Mr. DAVIES replied:

- (1) Yes.
- (2) This will depend upon availability of funds.
- (3) \$500,000.
- (4) This cannot be indicated until a commencement date is known.

## 26. TRAFFIC LIGHTS

*Dianella and Bedford*

Mr. A. R. TONKIN, to the Minister representing the Minister for Police:

When is it intended to provide traffic lights for the following dangerous and busy intersections—

- (a) Alexander Drive and Woodrow Avenue, Dianella;
- (b) Alexander Drive and Grand Promenade, Dianella;
- (c) Grand Promenade and Beaufort Street, Bedford?

Mr. MAY replied:

No traffic lights have been programmed by the Main Roads Department for any of these intersections. However, negotiations have been initiated with the local authorities concerned with a view to carrying out channelisation on a shared cost basis at the following intersections:

Alexander Drive and Woodrow Avenue, Dianella.

Grand Promenade and Beaufort Street, Bedford.

The Alexander Drive-Grand Promenade intersection will be kept under observation.

## 27. ALCOA ALUMINA REFINERY, PINJARRA

*Deferment of Development*

Mr. RUNCIMAN, to the Minister for Industrial Development:

- (1) Is he aware of the general concern in Pinjarra at the decision of Alcoa Ltd. to defer indefinitely its future development at Pinjarra?
- (2) As it has been reported that 1,300 men will lose their jobs because of this decision, can he give any details regarding the cause of the deferment and the seriousness of the situation?
- (3) Is it correct that the housing project at Carcoola is to be severely curtailed?
- (4) Is it also correct that the proposed shopping complex for Carcoola has been abandoned?

Mr. J. T. TONKIN (for Mr. Graham) replied:

- (1) Yes.
- (2) It is a well established practice of alumina producers to obtain a formal commitment for the purchase of their product before they outlay capital on new facilities. As the world market for alumina has declined, it is not practical for the company to negotiate new contracts for the sale of alumina; therefore plans for expansion of production facilities have been deferred. As far as the Western Australian alumina industry is concerned the position is not considered serious. With the bringing into production of the two units currently under construction at Pinjarra, Alcoa will be producing 1,670,000 tons of alumina a year and this has all been sold firm on contracts which extend for up to twenty years.
- (3) Originally, the company considered that it would require approximately 400 homes by the time the refinery came into production. Some of these homes would have been available for employees of contractors. Because of the expected cut-back of construction work following the completion of the units currently being built, houses for married employees of contractors will not be required. Another factor is that the company has had a very good response to its recruiting programme and it has been able to attract a number of workers who are living in the Pinjarra and surrounding districts. With the lessening of the expected demand for houses the company has arranged for the housing developer to reduce the number of homes in the first stage to 200.
- (4) The shopping complex at Carcoola will still be built although with fewer houses the number of shops required will be less.

## 28. PINE TREES

*Kwinana Area: Effect of Industrial Dust*

Mr. THOMPSON, to the Minister for Agriculture:

- (1) Have officers of his department conducted investigations of the effect of dust from industrial establishments on pine trees in the Kwinana area?
- (2) If so, what were the results of such investigations?

Mr. H. D. EVANS replied:

- (1) Yes.

- (2) Leaves from various trees in the Kwinana area have been analysed for aluminium. In the trees close to Alcoa high aluminium levels were obtained, indicating a dust deposition but whether this deposit is harmful is not known.

## 29. ALUMINA REFINERIES

### *Caustic: Settling Ponds*

Mr. THOMPSON, to the Minister for Works:

- (1) Have studies been done by any Government department on the rate of movement of caustic through clay membranes of ponds used to dispose of red mud waste from alumina refineries?
- (2) If so, what were the conclusions of such studies?
- (3) Will he table officers' reports on such studies?

Mr. JAMIESON replied:

- (1) Yes. Monitoring bores have been drilled around the perimeter of these ponds to permit analysis of the ground water.
- (2) There has been no trace of caustic detection from these tests.
- (3) No. This technical file can be made available for perusal by the Member in my office.

## 30. TRAFFIC LIGHTS

### *Great Eastern Highway-Kalamunda Road Intersection*

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

- (1) Is he aware that, since Great Eastern Highway was made a priority road, access to it from Kalamunda Road at some periods is almost impossible with traffic banking up for considerable distance along Kalamunda Road?
- (2) Does he agree that traffic lights are necessary at this intersection?
- (3) (a) If so, will he state when these will be provided;  
(b) if not, will he state what steps he will take to relieve the problem and reduce the possibility of traffic accidents at this intersection?

Mr. MAY replied:

- (1) No complaints have been received by the Main Roads Department regarding difficulty of access to Great Eastern Highway from Kalamunda Road.
- (2) Only a limited number of sites can be equipped with traffic control signals each year, and there are

very many sites throughout the metropolitan area which have a higher priority.

- (3) This junction will be kept under observation.

## 31. GREAT EASTERN HIGHWAY

### *Glen Forrest: Reconstruction*

Mr. THOMPSON, to the Minister for Works:

- (1) What was the estimated cost of reconstruction of the southern section of Great Eastern Highway between Hardey Road and Blugman Road, Glen Forrest?
- (2) What are the actual costs, to date, on this section of road?
- (3) What was the estimated date of completion of the work?
- (4) When will the road be open to traffic?
- (5) Does he consider compensation should be paid to the owners of the businesses along this section of road because of loss of trade due to the protracted period that access to such businesses has been restricted?

Mr. JAMIESON replied:

- (1) \$69,200.
- (2) \$56,436.98.
- (3) End of August. However, inclement weather conditions have delayed completion of the work.
- (4) If suitable weather conditions prevail it is expected that the road will be opened to traffic towards the end of October.
- (5) No. Every effort is being made to facilitate the movement of traffic and provide access to all properties while the work is being carried out.

## 32. INFANT HEALTH CLINIC

### *High Wycombe*

Mr. THOMPSON, to the Minister for Health:

- (1) Is he aware that no infant health sister has been available in High Wycombe since the services of a sister were withdrawn without adequate notice being given to the Kalamunda Shire Council to comply with a policy decision of his department that clinics would be conducted only in buildings provided by local authorities for that purpose?
- (2) What steps will be taken to ensure a satisfactory infant health service in High Wycombe, bearing in mind that the area contains a lot of young married people who, between them, produced 49 babies during the month of September?

Mr. DAVIES replied:

- (1) Shortage of infant health nurses has forced a retraction of services to areas where child health centres are established.
- (2) When the Kalamunda Shire Council provides a child health centre at High Wycombe the department will make every endeavour to provide staff. In the meantime a special night clinic is being conducted at Kalamunda to assist High Wycombe mothers who are able to attend.

# QUESTIONS (7): WITHOUT NOTICE

## 1. STATE ELECTRICITY COMMISSION

### *Union Coverage*

Mr. COURT, to the Minister for Electricity:

Will he please clarify for the House the current position in respect of—

- (1) The report in today's issue of *The West Australian* that the S.E.C. had been told by the State Government to withdraw from the proceedings because it was an inter-union matter when the M.O.A. applied to have a case reopened in March?
- (2) Does the State Government favour continuation of the S.O.A. coverage at the S.E.C., M.O.A. coverage, or both?
- (3) What action and attitude will the Government and the S.E.C. take in respect of the hearing of the M.O.A. application before Commonwealth Commissioner J. L. Gough on Friday?
- (4) What direction or advice has the Government given the S.E.C. about the Gough hearing?
- (5) Although he states the S.E.C. has not entered into industrial negotiations with the M.O.A., have not Ministers of the Government entered into discussions and negotiations with the M.O.A. about S.E.C. industrial matters?
- (6) Although he states the S.E.C. has not been advised by the M.O.A. of any further threatened stoppage, has not the Government or the Premier been so advised by the M.O.A.?

Mr. JAMIESON replied:

I have had some notice of the questions, for which I thank the Deputy Leader of the Opposition.

The replies are as follows:—

- (1) The Cabinet did not wish to influence proceedings which it considered as an inter-union dispute at that time.
- (2) This is an industrial matter which should be determined by court procedure.
- (3) and (4) This matter is still under consideration.
- (5) Ministers have not had discussions with the M.O.A. in recent times.
- (6) The M.O.A. has advised "a further meeting is to be held on Wednesday, 13th October, at which time progress in the dispute will be considered and failing progress a decision is to be taken as to when a 'brown out' shall be held."

## 2. STATE ELECTRICITY COMMISSION

### *Arbitration Proceedings*

Mr. R. L. YOUNG, to the Minister for Electricity:

- (1) Has the Municipal Officers' Association referred its claim for coverage of S.E.C. workers to the Commonwealth Conciliation and Arbitration Commission before Commissioner Gough to be heard on Friday, the 8th October?
- (2) Is it true that the Salaried Officers' Association, having a registered agreement with the S.E.C. and being a State body, cannot be heard before the Federal court?
- (3) Is it true that the S.O.A. can therefore only intervene to support the S.E.C. in any appearance before the court?
- (4) Has the Minister, or any other Minister, directed or advised the S.E.C. not to intervene in the matter before the court?
- (5) If so, does this mean that the S.O.A. has been therefore indirectly barred from appearing to put its claims to continue to cover the workers?
- (6) Is the Minister aware that the S.O.A. workers on Tuesday, the 5th October, voted overwhelmingly in favour of continued State cover?

Mr. JAMIESON replied:

I thank the member for Wembley for notice of these questions. The answers are as follows:—

- (1) Yes.

- (2) Under section 36 of the Federal Act an organisation which is not a party to the dispute may be given leave to intervene.
- (3) Answered by (2).
- (4) A Cabinet request was made to the State Electricity Commission in March not to become involved in inter-union disputes.
- (5) Answered by (2).
- (6) I have not been informed as to any decisions made at the meeting referred to.

I might add that there have been two conflicting Press reports in connection with the matter. I am not sure which one is correct because I have been unable to verify either of them.

### 3. PILBARA MINERAL AREAS

#### *Publications and Propaganda: Proposed Action*

Mr. COURT, to the Premier:

- (1) Does the Government propose to take legal action—on the grounds that the matters involved are *sub judice*—against Messrs. Hancock and Wright (and/or their appropriate companies) about publications, propaganda, etc., they are undertaking in Australia and overseas about Pilbara mineral areas and the treatment they are receiving from the State?

(2) If not—

- (a) how does this reconcile with the action taken by the Government against *The West Australian*;
- (b) who initiated those proceedings by requesting Government action in the first place;
- (c) does the Government still plan to proceed with the case against *The West Australian* in view of the decision by Mr. Justice Hale?

- (3) (a) In view of the anomalous situation through which I, as an elected Member of Parliament, cannot introduce my proposed Pilbara development motion, because it has been ruled *sub judice* under Standing Orders, but people directly involved in litigation are carrying on publications and propaganda, would the Government agree to support a suspension of the appropriate Standing Order for a period to permit my motion to be introduced and debated?

- (b) Also, will he give consideration to ways and means of overcoming the anomalous situation whereby Hancock and Wright and/or their appropriate companies and representatives are engaging in publications, propaganda, etc., but public, parliamentary, and press debates are stifled on the grounds that matters in question are *sub judice*? Also, the affairs of Government and development appear to be in danger of being frustrated by an abuse of legal processes.

Mr. J. T. TONKIN replied:

I thank the Deputy Leader of the Opposition for ample notice of these questions. The answers are—

- (1) Legal advice has not yet been taken on the publications referred to.
- (2) (a) Answered by (1).  
(b) It is not considered proper in all cases to divulge the names of persons requesting Government action of this nature.  
(c) Yes.
- (3) (a) Notice of appeal has been given and the processes are still *sub judice*.  
(b) Consideration will be given as to whether an offence has occurred in relation to the publications referred to.

### 4. INDUSTRIAL AWARD COVERAGE

#### *Government Policy*

Mr. WILLIAMS, to the Minister for Labour:

- (1) What is the Government's policy in cases where a union with Federal industrial coverage seeks to obtain a Federal award to cover workers who are already covered by a Western Australian State union under State awards, such as is the case in the S.O.A. and M.O.A. dispute within the S.E.C.?
- (2) Does the State favour the continuation of State unions under State awards in preference to Federal?

Mr. TAYLOR replied:

I thank the honourable member for some notice of these questions. The answers are as follows:—

- (1) This is not the type of matter in which the Government considers it should have a

firm policy. Generally, this Government—as do other State Governments—prefers to deal with State unions primarily because of ease of contact and the State arbitration system is conveniently near, if needed.

However, it believes that people at whatever level of endeavour—professional, commercial, trade, etc.—have the right of choice of the method of representation they prefer without undue influence from Governments.

The Government further believes that arbitration commissions—State and Federal—are the appropriate authorities to determine matters of industrial coverage.

- (2) Yes, but qualified by statements above.

## 5. STATE ELECTRICITY COMMISSION

### *Union Coverage*

Mr. COURT, to the Minister for Electricity:

I desire to seek further clarification of the answer to the question I asked without notice in regard to the State Electricity Commission—in particular, the answer given to (5), which was—

Ministers have not had discussions with the M.O.A. in recent times.

Would he be good enough to check on this because in the television interview I heard a few days ago the representative in this State of the M.O.A.—who, I presume, had come from Melbourne—referred to the fact that he had had discussions with the Premier?

Mr. JAMIESON replied:

I am grateful for this opportunity partially to correct a certain matter. When questions are asked without notice, one is hurried in preparing the information, and certain things can get by. I understand Mr. Donnar spoke to the Premier but he did not have any negotiations with him as far as the matter before us is concerned. I also now understand from the Minister for Labour that Mr. Ellis approached him on the 22nd September last to inquire whether the tribunal's report could be made available to him. No discussions took place in regard to industrial conditions.

The SPEAKER: The next question will have to be the last without notice. I trust it is an urgent question.

## 6. HIGH SCHOOLS: SOCIAL STUDIES COURSE

### *Use of Publication "Soviet Society"*

Mr. THOMPSON, to the Minister for Education:

- (1) Has he seen a book produced by the Education Department called *Soviet Society*, which is being used by third-year high school students for the social studies course?
- (2) Does he consider the publication a suitable one for use by children of such an impressionable age?
- (3) Is it true that because some teachers consider the book to be biased and subversive to the good order of our society, they have refused to use the book?
- (4) If the book is not fully accepted by teachers, will he take steps to withdraw it from schools?
- (5) If he is not prepared to amend or ban the book, which is considered repugnant by the parents of some students, will he give his reasons for its continued use?
- (6) Who prepared the book?
- (7) Is this an example of the books to be provided by the Government under the free text books scheme?

Several members interjected.

Mr. J. T. TONKIN replied:

I thank the member for Darling Range for ample notice of these questions, which appear to have been framed upon some knowledge of a chap named McCarthy in the United States. The answers are—

- (1) Yes.
- (2) Yes.
- (3) The Education Department has not received any widely-expressed opposition to this experimental unit which is being used in a limited number of pilot schools.
- (4) No. This is an optional topic which has been welcomed by teachers who are endeavouring to promote international understanding.
- (5) The book is one of a series aimed at presenting, in an unbiased manner, different economic, social, and political systems. The Education

Department has no indication that the book is considered to be repugnant to some parents.

- (6) The book was prepared by the Curriculum Branch of the Education Department.
- (7) The book in its present form is an experimental edition. The quality of the printing and binding would be improved in the ultimate publication. The book would not be within the projected free book scheme as it is a secondary school publication.

7.

## HOSPITAL

### Katanning

Mr. NALDER: Mr. Speaker, I made several attempts to rise to ask a question without notice. What is your intention?

The SPEAKER: You could not have risen very far or I would have noticed you. I will allow you to ask the question.

Mr. NALDER, to the Minister for Health:

Further to his reply to question 24 on today's notice paper, regarding extensions to the Katanning Hospital, does he anticipate that the extensions will be made during the financial year 1971-72?

Mr. DAVIES replied:

The extensions to the Katanning Hospital are on the planning list and will take their place with all the other priorities and requests received from other members.

## LOCAL AUTHORITY

### *Allegations of Corruption: Grievance*

DR. DADOUR (Subiaco) [5.12 p.m.]: I might say at this moment that the Minister for Health can relax. He has a short respite; my grievance does not concern health. The grievance is quite justified and the subject has been most upsetting to me. I am certain the Minister for Local Government and the Government have erred and have attempted to worm their way out of what I consider to be a very difficult situation.

The subject of my grievance is the recent accusations of corruption made against a certain local authority. To follow the sequence of events, on the 28th July the Minister for Local Government received a deputation concerning allegations of corruption in an unnamed local authority. The Minister ordered a full inquiry to be made into that metropolitan local authority. He would not name the

authority because he considered that to do so would put those who were accused of corruption on their guard.

The local authority concerned had no warning whatsoever and no knowledge that it was the accused authority. The first the authority knew of it was when a detective-sergeant arrived and made a very thorough investigation. He interviewed the mayor, all the councillors, and some of the officers of the council. No more has been heard about the matter by the local authority concerned, other than what was contained in a newspaper report on the 14th September which stated that the charges had been found to be groundless.

I venture to say that all members of Parliament and many other people know which authority is concerned. No details have been published and no final communication has been received by the local authority. The Minister has not bothered to reply to a letter from the authority dated the 21st September. If no details are made public concerning this inquiry, in years to come people will feel that the local authority must have been partially guilty. If the details were published there would be no doubt that the council was not guilty.

Sir David Brand: That is the result of going off half-cocked.

Dr. DADOUR: Yes.

Mr. Jamieson: He did not go off half-cocked; he had some statutory declarations. That is not half-cocked.

Dr. DADOUR: If this matter is allowed to go on in this way, with no information forthcoming, nothing official—the Minister has not even the decency to answer the council's letter—in five years' time it will become a cloak-and-dagger affair and everybody will say, "There must have been something wrong."

Mr. Jamieson: You are highlighting the council now. You are doing it a lot of good!

Dr. DADOUR: Mr. Speaker, the Minister for Electricity seems to want to take up some of my time.

Mr. Jamieson: We have plenty.

Mr. Hutchinson: It is the role of a member to highlight grievances.

Mr. Jamieson: I am glad you know.

Dr. DADOUR: I ask the Minister to make the details of the whole inquiry public. Was an affidavit sworn out? Were the credentials of people making the accusations ever checked? I know they were not checked, because if they had been the whole affair would have been dropped. It was the Subiaco City Council which was investigated, I will tell the House that. I am sick and tired of this cloak-and-dagger business.

Mr. Jamieson: Cloak-and-dagger business?

Dr. DADOUR: I have been investigated myself. I am a councillor on the Subiaco City Council and I have many friends on the council. I would like the Minister for Electricity to know that I do this work in an honorary capacity and I enjoy it. He must get out from behind his rose-coloured glasses.

Mr. Jamieson: Good for us.

Dr. DADOUR: Investigations were made by a detective-sergeant in this very building, and this is one of the reasons I show concern. I submit all the documents concerning the inquiry should be made public so the people can be properly informed by the Minister of what has gone on. This will show beyond all doubt that the council is innocent. I repeat, unless all the facts become known, there will always be doubt.

The Minister has not been completely fair about this matter; he has gone off half-cocked. It is easy for people to accuse but there must be evidence to substantiate their accusations. It is very dangerous if the accusations are not substantiated. What were the specific allegations? What is the true outcome of the investigations? Is a full disclosure going to embarrass the Government? I think it must. I do not wish to see the relevant papers in the Minister's office—

Mr. Jamieson: You are going to be sorry this time.

Dr. DADOUR: —as this will only seal my lips. On the other hand, if we had been found guilty, without a doubt the whole lot would have come out. Because we are found innocent, supposedly we have to be protected. However, this protection is only doing us damage.

The accused council has not received any official notification from the Minister in spite of several phone calls and a letter to him. Who is the Government trying to protect? I believe it is trying to protect itself because it has made a complete botch of the matter.

If the Minister is responsible, he should have the decency to make a full disclosure of all the facts. What defence do we have against people who act in this manner?

Many of the ratepayers in Subiaco already know which council is involved. Surely, out of decency to the mayor, councillors, and the officials concerned, the full details should come out and we should be declared innocent without any doubt. The Minister has not even had the decency to answer the council's communication. The Government is trying to let the whole thing die.

The SPEAKER: The member for Subiaco has two more minutes.

Dr. DADOUR: I shall not let this occur; I will do everything in my power to have the full details disclosed so the public knows once and for all that we are innocent.

## DOOR-TO-DOOR SALESMEN

### *Late Calls: Grievance*

MR. BATEMAN (Canning) [5.21 p.m.]: I would like to draw the attention of the House to a problem which has come to my notice. Many of my constituents live in new areas and they have been pestered by door-to-door salesmen of an evening.

Before I go any further I would like to point out I am not opposed to door-to-door salesmen. Many of these people provide a fairly good service by taking their wares and goods to the householder. Usually they are reputable people and they represent reputable firms. The people I am concerned about are the door-to-door salesmen who encroach on private homes after dark. These are the people who cause a fair amount of concern and worry, especially to women who are on their own at night while their husbands work.

To give an example, only last week a carload of about six of these door-to-door salesmen were dropped in a particular area in my electorate. They arrived at about 7.30 p.m. One of the householders came home at about 9.30 p.m. and found one of the fellows going through a back window. He apprehended him and as a consequence the man was arrested. On the same night a householder across the way was pestered, this time a woman whose husband works night shift. She is so concerned that she now stays with her mother until her husband knocks off and she then returns home with him.

I do not think this is good enough; some action should be taken as this not only disturbs women who are alone, but also it disturbs old and young people. In my own case my wife and I often have to go out of an evening and we leave our daughter, aged 17, at home. It is not very nice knowing these people could arrive at 10 o'clock and knock on the door trying to sell encyclopaedias—this is the usual type of article being sold.

The salesmen probably need two jobs to exist under our present economic set-up. However, I appeal to the Minister for Consumer Protection to introduce legislation so that these people are not permitted to attempt to sell their goods after a certain hour. I do not think they should be allowed to call after about five o'clock when the housewife is usually busy preparing dinner for her husband and children. At about seven o'clock the family probably watches the news on TV, and after this time the children are usually in bed asleep. The household is entitled to its rest.

I would like to put forward a suggestion to the Minister, that a door-to-door salesman could leave literature in letterboxes

at night and the householders could ring him up. The salesman could then visit the house by appointment and endeavour to sell his wares.

I do not want to prolong this speech because that is the long and short of the situation. I would just like to add that I feel very strongly about these people roaming the streets at night-time and upsetting the welfare and the well-being of the community, especially the sick and the aged. I recommend through you, Mr. Speaker, that the Minister attempts to bring in legislation to protect householders.

**MR. DAVIES** (Victoria Park—Minister for Consumer Protection) [5.25 p.m.]: This is the first complaint I have had of this nature. However, I have no reason to doubt the authenticity of the statements made by the member for Canning and the fact that these men do operate in this way.

Under the Door to Door (Sales) Act there is a cooling-off period, but that applies to magazines only. This measure was introduced by the then member for Canning and went through this House but it was amended in the Legislative Council to apply only to books. The Legislative Assembly concurred in this.

The practice of knocking on doors late at night to promote the sale of goods is objectionable in the extreme. I can well imagine the type of complaints which have been brought to the honourable member by people to whom this has happened. To my knowledge—unless there is some authority under local government—there is no authority under any Statute to prevent people operating in this manner. However, if it continues the Government will have to look at whether legislation is necessary to outlaw such a practice. I am against unnecessary controls and I have said so on many occasions. However, I believe the individual is entitled to some protection, particularly within his own home and late at night.

There is a direct selling agents' association—I believe it has some name like that. This association has established a good code of ethics and it will only admit to membership people who will abide by those ethics. It has no punitive powers over its members; all it can do is suspend people from membership of the association. I do not know that it has found it necessary to do this because it is a relatively young organisation and it has yet to establish a full membership. These people very closely examine all applications for membership; they are very fussy about whom they will admit to membership.

The association is attempting to put door-to-door selling on a high level and I believe this can be accomplished. It is very much opposed to the unsavoury tactics adopted by some members of the trade who will do anything to make a dollar.

Indeed, as Minister for Consumer Protection, I have had a great many complaints regarding the activities of door-to-door salesmen. It is quite amazing how many people believe that there is a seven-day cooling-off period for anything they buy at the door.

Mr. May: That is right.

Mr. DAVIES: Again and again people come to me with this understanding. The member for Canning asks what is likely to happen. I wish to inform him that the consumer protection legislation is ready to be printed and will very shortly be introduced into this House. If the legislation has a successful passage through Parliament and a commissioner is appointed it will be up to him to make recommendations about what is necessary to protect consumers. I am sure he will investigate this type of activity.

Mr. Hutchinson: What do you think about these late calls?

Mr. DAVIES: I have already said they are most objectionable. I cannot understand any man hoping to effect a sale under those conditions; it is not logical to me. Perhaps it is the element of surprise which forces the sale—I do not know. However, if this continues and complaints come in about it, the Government will have to act before the report of any consumer commissioner is to hand.

## STATE ELECTRICITY COMMISSION

### *Arbitration Proceedings: Grievance*

**MR. R. L. YOUNG** (Wembley) [5.29 p.m.]: I wish to discuss briefly a matter which was the subject of a number of questions without notice this evening. I refer to the dispute between the Municipal Officers' Association and the Salaried Officers' Association as to who is going to provide industrial coverage for the workers at the State Electricity Commission of Western Australia.

It will be recalled that in April of this year the Municipal Officers' Association wanted to take over the industrial coverage of the Salaried Officers' Association workers at the S.E.C. The association failed to convince the Commonwealth Arbitration Commission with its claim. Subsequently it did not appeal against the refusal of the arbitration commission, but decided to take direct action of a striking nature.

The association also failed to persuade members of the Salaried Officers' Association to come under its wing and it lost the vote by 360 to 70, which I think is a clear indication of the thinking of the workers of the S.E.C. So when the union failed to convince both the workers of the S.E.C. and the Commonwealth Arbitration Commission it went on strike and thereby held the State to ransom for a day or so. The strike cost the State about \$2,000,000 in production, and when asked about this



the Federal industrial officer of the M.O.A. (Mr. R. P. Durham) said he was not concerned about any possible effect on industry. He made his case quite clear and what his role was in that particular situation.

The Salaried Officers' Association has a record of approximately 23 years of service to the workers in the S.E.C. Its record is unimpeachable. During all those years it has served well not only the S.E.C. and the State, but also the industrial courts by not having to bring any disputes before them. That association has never been on strike. Its officers are responsible men who look upon their jobs in a responsible way, and their one and only concern is to obtain better conditions for their fellow workers and to ensure that every member of their union goes home each week with a full pay packet.

On the other hand, the Municipal Officers' Association has a record of militancy in the Victoria power industry. It caused stoppages in 1968 and 1970 and then, with its muscle-flexing activities, in April of this year it brought about a strike in this State, and its record would certainly not compare with that of the S.O.A.

We now have a situation where an application has been made to go before Commonwealth Commissioner Gough on Friday so that once again the claim by the M.O.A. to provide industrial coverage for the S.E.C. workers in this State can be heard. On a number of occasions already the S.O.A. has voted overwhelmingly against Federal coverage and, most certainly, it did so only yesterday. In my opinion, the S.E.C. workers do not want Federal coverage. They do not want the M.O.A. They want the State coverage of the S.O.A. so that it may continue to look after the workers in this State. I can say this without any fear of contradiction.

I think I can also say that I was under the impression that the S.O.A. was precluded from appearing before Commonwealth Commissioner Gough on Friday because it was the State body and unless it went in to assist the S.E.C. it had no right to appear before the Federal court. I am informed, however, in the reply to my question without notice to the Minister this afternoon, that under the Federal Act an organisation which is not a party to a dispute may be given leave to intervene. I do not know what the situation is in regard to this. I have not had much time to look at it, but I will certainly take the first opportunity to do so.

In answer to the second part of my question the Minister said that a Cabinet request was made to the S.E.C. in March not to become involved in the dispute, and the same answer was given to a number of other questions. It seems to me that the situation we are now in is a balance between the responsible S.O.A. and the irresponsible M.O.A., and the S.E.C., as

the employer of these workers, should be given Cabinet blessing to go before Commissioner Gough to put a case in favour of the retention of State awards for S.E.C. workers, if only to ensure that the stability we have enjoyed over the years is maintained.

It would appear to me that if this were not done some degree of irresponsibility would be displayed, because the Minister for Electricity, during the course of the April strike, said he was not impressed with the M.O.A. He said, "they were not very sincere in their approach and we are not very happy about it." This is how the M.O.A. treated the Government of the day which, at the time, was trying, in all good faith, to negotiate the resolution of a strike. So it would appear to me that the decision made by Cabinet in March to advise the S.E.C. not to intervene in any of these actions should have been rescinded as a result of what happened in April, because the M.O.A. is making a fool of the Government and will make fools of the S.E.C. workers if they are the only people to appear before Commissioner Gough on Friday.

I wonder whether the Minister for Electricity could enlighten the House as to what action the S.E.C. will be able to take in respect of this matter.

**MR. TAYLOR** (Cockburn—Minister for Labour) [5.37 p.m.]: Although the member for Wembley referred to the Minister for Electricity in regard to this matter, I think it is one that properly should come under the area of labour. I would like to begin by making the comment that I appreciate that, in Opposition, it is quite easy for one to be able, in any particular matter, to take a side; but I have found that, in Government, it is not possible and certainly not advisable, in any situation, to take the side of one party as against another. This is certainly the attitude of the Government at the moment.

As far as the Government is able it intends to remain neutral in this situation and not take one side against another. It is a delicate situation indeed. Nobody denies this. Because the situation is delicate this is all the more reason for the Government to be responsible, fair, and as objective as possible.

Following the comment made by the member for Wembley, one or two points need to be cleared up. The claim is made that the M.O.A. initiated a strike earlier this year. I think it is necessary to relate a little of the background. If I were asked who precipitated that strike my answer would be that it was the men concerned. However, in addition, the M.O.A. was the union associated with these men and perhaps it seemed that it did all the "generaling." Nonetheless, the men felt they had a real grievance.

Let us look at this group of men, and I am not using the M.O.A. label with reference to them at this moment. These men were a group of engineers who once had their own union. This union disbanded some 10 or 12 years ago and these engineers then joined the Salaried Officers' Association. They have not felt at home there, and they consider they are at a disadvantage by being members of a clerical union. They claim to have a grievance and have stated that they cannot gain redress in any way. When the Government's sub-committee was established it was found that they did have a grievance; that their rates were below those in the Eastern States.

I am not condoning the strike action that was taken by these men; I am merely giving counter to the point used by the member for Wembley. These workers are professional men and their salaries range between \$5,500 and \$8,000 a year. They are not tradesmen who may be considered to resort to direct action. They felt they were driven into this situation. As I understand the position from them, it was the men themselves who approached the M.O.A. and not the other way around.

The M.O.A. is a union which represents power house workers in five States and it represents workers in Western Australia. The M.O.A. was invited to take action by a group of workers who felt that they were at a disadvantage. I also make the point that this particular group of men have shown a great deal of responsibility during the period they have been workers with the S.E.C. They kept power houses going in past years when other sections of workers in the S.E.C. were on strike. These men are a responsible group who have used the M.O.A., believing they have a just cause.

Mr. R. L. Young: Is not the M.O.A. using these men to meet its own ends?

Mr. TAYLOR: It may be. There is a definite case, but whether it is a right one or a wrong one I am not prepared to say. This is a group of power engineers who feel they cannot get representation in any way. The union is using a device within the Commonwealth Act. It thinks to have some members of the Salaried Officers' Association join the M.O.A., but this can only be done if done within the law. In answer to a question this evening by the member for Bunbury as to what my personal views were and what the Government's views were, I stated that normally, State Governments prefer State unions. It is as plain as that. At the same time, we do not feel that a group of workers should be disadvantaged if they desire to go elsewhere.

The Government's problem is to ensure that there shall be no disruption of industry or inconvenience to the public. The

Government can only hope that there will be a move towards the ideal situation being achieved; that is, for one group of workers to reach their objective by gaining their own particular representation and allowing the other group to look after themselves. A compulsory conference has been held with a State Industrial Commissioner this week. I could suggest that there may be another one held before Friday when certain ideas could be defined. We can only hope that by the time the Commonwealth court convenes on Friday a solution may be found. I do not know whether it will be, but certainly this is the way the Government would like it to be; that is, that the court will convene and the normal process of law will take place to ensure that no problems will arise in the community.

The Government's attitude has been made very plain over the five or six months that this matter has been a problem within the State, and our attitude at this moment is consistent with the attitude we have shown all the way through.

Mr. Court: Why cannot the S.E.C. appear on Friday?

Mr. TAYLOR: I do not believe the answer has been given that the S.E.C. will not appear.

Mr. Court: But they have been told not to appear.

Mr. TAYLOR: Perhaps the Deputy Leader of the Opposition has some information that I do not have.

Mr. Court: It was implicit in the answers to questions given on the spot.

Mr. TAYLOR: The attitude of the Government has been that where the problem can be determined by the courts it will not use its might to coerce one group of workers to go where they do not want to go. At the same time, our attitude is also that the community must come first.

Whilst we will not disadvantage one group of workers we will not allow the situation to get out of hand. If the problem can be resolved in the court, where it should be, we will try to ensure that that is the way it will work.

Mr. R. L. Young: I clearly read the answer that was given to part of my question without notice as indicating that the S.E.C. will not appear before the court.

Mr. TAYLOR: I cannot recall it, having listened to the tenor of the questions in this House. Certainly the Government early this year asked the State Electricity Commission not to participate in an action in the Eastern States. A submission in a letter was given to the Commonwealth court in the Eastern States setting out the Government's attitude, not that we supported the application, but that the court was the proper place to decide the issue and that the Government would not come in on one side or the other.

Mr. O'Neill: The Government is, in fact, the employer, so it must be involved.

Mr. TAYLOR: Yes, and we would appear to this extent, but we would not appear in order to state that a group of workers must be directed to their disadvantage.

Mr. Court: But if the State Electricity Commission is not represented on Friday the S.O.A. cannot be heard.

Mr. TAYLOR: The answers given indicate the reverse, but I can give an assurance that if the S.O.A. cannot appear in court the State Electricity Commission would be in court. I repeat that as far as the question is concerned I am not prepared at this stage to concede that the answer given was "No."

Mr. Court: The last point you made has cleared it up.

The SPEAKER: Grievances noted.

### LEAVE OF ABSENCE

On motion by Mr. Harman, leave of absence for eight weeks granted to Mr. Burke (Perth) on the ground of urgent public business.

### BILLS (3): INTRODUCTION AND FIRST READING

#### 1. Marketing of Lamb Bill.

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

#### 2. Commonwealth Places (Administration of Laws) Act Amendment Bill.

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

#### 3. Iron Ore (Mount Goldsworthy) Agreement Act Amendment Bill.

Bill introduced, on motion by Mr. May (Minister for Mines), and read a first time.

### APPLE AND PEAR INDUSTRY

#### *Inquiry by Select Committee: Motion*

MR. REID (Blackwood) [5.50 p.m.]: I move—

That a Select Committee be appointed to inquire into and make recommendations regarding the apple and pear industry in Western Australia.

This motion is submitted firstly as a direct result of a motion carried by the Western Australian Fruit Growers' Conference held recently in Perth. As a matter of fact the motion was carried by the vast majority of the growers at that conference. Secondly, I have much pleasure in moving this motion because I believe it will have far-reaching, beneficial effects on the fruit-growing industry should it be agreed to.

I might add that for many months it has been suggested to me that this is indeed the time for an inquiry into the fruit industry; but, as a result of my close connections with the industry, I felt it would not be the correct thing to conduct an inquiry unless the bulk of the growers of the State desired one. I have now ascertained that it is the desire of the bulk of the growers.

In order that members might realise the depth of feeling and concern of members of the apple and pear industry in Western Australia, I will read some of the motions passed at their conference, as follows:—

#### No. 1:

That steps be taken immediately to establish a West Australian Apple & Pear Board. This Board to have statutory powers to acquire and market the entire crop, if deemed advantageous. The purpose of such Board shall be to co-ordinate and control local and export marketing and to have full power to take any action it deems advantageous to the industry including limiting production and new plantings and establishing large co-operatives and handling and storage facilities.

#### No. 2:

That all orchards be licensed on an acreage basis and that any further planting of apples on new ground be prohibited for a period of five years by legislation. Any grower wishing to replant to first remove a similar number of trees from his present acreage, with severe penalties for growers not so doing.

#### No. 3:

That this Association supports moves towards obtaining a grubbing grant for the removal of apple trees.

#### No. 4:

That the commission of 30 cents, as charged by the Shippers, be reduced to 20 cents.

#### No. 4a:

That commission charges be reviewed on a sliding scale basis.

#### No. 5:

That growers be advised of the cost involved in packing, and F.O.R. to F.O.B. prior to the commencement of the season.

#### No. 6:

That the regulations re buyers entering the Markets before sale time be policed.

#### No. 7:

That there be an enquiring into the Crate Hire Service and charges.

All members will readily appreciate the severe troubles and circumstances being experienced by those engaged in the fruit

industry in Western Australia. A number of Press releases recently in the State and Federal spheres have indicated that the industry is indeed in dire straits and one cannot help but feel saddened that this industry, which is producing some of the finest products of its kind and type in the world, is facing its present dilemma. Unfortunately, with so many other difficulties and with the tremendous cost spiral and pressures these days, one wonders just how much hope any of the primary industries have of surviving in the future.

Members will agree that the motions I read which were passed at the growers' conference indicate the seriousness with which the growers regard the situation and their preparedness at this stage to enter into almost any sort of control which will safeguard their livelihood.

In dealing with such a complex industry as the fruit industry I must try to be very explicit and indicate the varying circumstances under which the industry operates. The apple and pear industry in Western Australia is rather envious of the position of the wheat industry as outlined for us by the member for Avon. Recently we inspected the facilities of Co-operative Bulk Handling. We saw the grain being handled by blowers and augers and dumped in big ships which hold 10,000,000 bushels. It was a classic example of what can be done with an industry when the product is bulk handled and no worry exists with regard to bruising, as is the case in the fruit industry. As long as the grain conforms to certain standards regarding moisture no problems are encountered. Grain is handled much easier than fruit.

One of the most confusing issues involved in the fruit industry is the high degree of preferences particularly with regard to overseas markets. A high standard of maintenance is required, even for markets. Even at the last moment, just before a sale, virtually 12 months' work can be lost by mismanagement or carelessness. While members are listening to my request for an inquiry into the fruit industry I would ask them to give due consideration to the perishability of the product.

Before I delve too deeply into the ramifications of the industry, it is but fair that I give a broad outline of the system under which the industry operates not only in Western Australia, but in Australia as a whole. We must remember that only one-third of the industry's output is consumed locally, the balance being exported, and when we are dealing with the export side of the industry we are dealing with a section which comes under the jurisdiction of the Australian Apple and Pear Board, and we must deal with such items as shipping agreements, about which we read recently, which are not by any means always beneficial to Western Aus-

tralia. Consequently I feel I must, in the interests of the House, give a brief outline of the situation.

Firstly, we have what is called the Overseas Shipping Representatives Association which is known as OSRA for short. This association represents the shipowners operating from Australia. We also have the Australian Apple and Pear Board which has tremendously wide powers, but is currently using them only in connection with negotiations for trade and the drawing up of regulations regarding packaging and handling.

The Department of Primary Industry has powers which override those of the board in connection with fresh fruit regulations. We have the Western Australian Shippers' Committee, which is virtually the agent or packing house of Western Australia. This committee consists mainly of persons and firms with a license to export apples and pears. In Western Australia 16 licenses are held, 14 of which are for export to all areas, the other two involving restricted zones.

The Western Australian Shippers' Committee is the next down the ladder of authority, so to speak, within the apple and pear industry in Western Australia. Following on from that body we have the Western Australian Fruit Growers' Association which has no bias, in any shape or form, towards any political party or trading concern. The association has been criticised in the past because of its shortcomings. Perhaps one of the good points of the association is that we have built up a trust fund of approximately \$150,000 of growers' money. The money primarily is to protect fruit against diseases and pests. The Act also provides for administration and running of the association.

One of the sad points about the association, I consider, is that the trust fund which consists of money freely contributed by growers, cannot be used for trading in any form. Accordingly we will lose investment of \$150,000. The question is: Should the association undertake trading?

Any member of the House who is not conversant with the fruit industry probably feels the picture is confused by the authorities which overlap in so many spheres. When there are a number of overlapping authorities there is a sense of misdirection within the industry and a degree of hesitancy between authority and authority. In these circumstances, an industry does not progress.

A recent crisis revolves around the increase in shipping freights. I should like briefly to explain the critical situation. The increases amount to approximately 50c to 54c a bushel. This year the return to the majority of growers will be in the vicinity of 85c a bushel after packaging and freight expenses have been deducted. Later on I shall give an exact breakup of the charges. From the 85c a grower has to

pack and deliver to the shed. On average, this costs 30c. He is left with 55c which must cover growing, picking, spraying, and water, apart from paying his day-to-day living expenses as an orchardist. Members will quickly see it is simply not on.

An article appeared in *The West Australian* dated the 30th September, 1971, under the heading, "Study foreign ideas, fruit men told." It reports the comments of Mr. Sinclair, the Minister for Primary Industry. I would like to read this article to the House because it is indicative of the type of thinking we find towards the industry on a national level. The article says—

It was essential for people marketing the Australian apple and pear crop to examine the methods of handling used in other countries, the Minister for Primary Industry, Mr. Sinclair, said today.

He told the House of Representatives that this was necessary to solve the immediate problems of the industry.

Mr. Sinclair said that he had talks in Hobart on Monday with the ministers for agriculture from Tasmania, Western Australia, South Australia and Victoria.

Some of the difficulties facing Australia in competition with New Zealand and South Africa had been raised with producers and with the ministers at the meeting.

#### COMMITTEE

A committee under the chairmanship of Professor Grant, of the University of Tasmania, had drawn attention to a number of ways in which the apple and pear crop could be marketed.

It had mentioned a federal marketing authority and an export authority.

However, these matters were not just for the Federal Government to consider. It was also up to the State Governments to consider their implications on their own marketing techniques.

The industry had several matters before it relating to handling and loading that should be introduced this season.

"If the industry introduces them it will be possible to offset the 24 per cent. increase in freight costs," he said.

There was better loading rate in Tasmania than in Melbourne.

The figures for New Zealand were nearly twice as good again as those in Tasmania.

"The important thing in comparisons is not between States, but between Australia and other countries," he said.

Obviously in the field of exporting we are not competing between States but against the other major fruit producing countries of the world. I should like to make one other point before turning to the New Zealand scheme. Tasmania and Western Australia share a common problem in the present crisis. As I said earlier, approximately 66½ per cent. of our entire crop is exported. Tasmania is less fortunate and almost the entire crop of that State has to be disposed of on the export market overseas, apart from supplying a small amount to the Eastern States' markets of Melbourne and Sydney. Hence, two States in the Commonwealth are faced with a drastic situation. Other States such as South Australia, New South Wales, and perhaps Queensland—not quite so much Victoria—have traditionally supplied the home market in the past. Occasionally they have sent a few hundred thousand bushels onto the export market but, mostly, they are not traditionally exporting States.

Victoria, of course, has very high pear exports which would rate closely with the Western Australian apple exports. Victoria's apple exports are somewhere below the half-million mark but her pear exports definitely must be considered in a nationwide scheme.

The DEPUTY SPEAKER: There is far too much audible conversation.

Mr. REID: I shall turn now to the New Zealand scheme which, as I said, the Minister for Primary Industry has recommended. I would like to read from a report on the New Zealand fruit industry in the year 1968 by Mr. W. F. Walker, Chief Horticulturist, Department of Agriculture, Tasmania. We in the Commonwealth of Australia are fortunate indeed to have a man of such standing as Mr. Walker. He is regarded as one of the most experienced and knowledgeable men in the fruit industry and this opinion is held not only throughout Australia but throughout the world. He is currently president-elect of the World Horticulture Society which meets every five years. I believe in three years' time, when the convention is held in Melbourne, he will be elected president. Mr. Walker has made several far-reaching studies into fruit marketing throughout the world. But as we are in the southern hemisphere, I prefer to mention his report of the New Zealand scheme which has been brought before the notice of the industry in Australia.

It is unfortunate that not many Ministers from the Government are in the Chamber.

Mr. Taylor: You have the important ones.

Mr. Gayfer: Five Ministers! This shows how interested the Government is in the fruit industry of Western Australia.

Mr. Taylor: You have the good ones.

Mr. REID: The industry I am discussing is not as big as meat, wheat, or wool, but it is important to the areas concerned. Indeed I hope to show later on that the income generated from this industry is most important to people who live in country towns and perhaps has a far-reaching effect all over the State.

New Zealand produces approximately 5,500,000 bushels of apples and 1,000,000 bushels of pears. It exports 3,000,000 bushels, local consumption accounts for 2,000,000, and processing approximately 500,000. These are the 1968 figures, but I doubt whether the current figures would vary greatly. The interesting point to illustrate is that the industry in New Zealand and the industry in Western Australia are not unlike each other.

The Minister for Primary Industry has suggested that we should look at the efficiency of some of our competitors; namely, New Zealand and South Africa. We should certainly look closely at the operations of the fruit industry in New Zealand. I should like to read from the report under the heading, "New Zealand Fruitgrowers' Federation Limited." It says—

The New Zealand Fruitgrowers' Federation is a most impressive organisation controlled by a representative Board of growers and managed by a fully trained business executive. The Federation has celebrated its 50th anniversary of activities and a publication entitled "Fruitful Years" is a stimulating account of the difficulties experienced, as well as the achievements of the New Zealand Fruit Industry from 1916 until 1966. This is a commendable publication and well worth any fruitgrower's time to read.

Some observations have been prepared from the background and history of this organisation in an attempt to show how it is set up and how it functions in the interests of its members, both individually and collectively.

It is apparent the Federation was formed during a difficult period when growers felt a need for some means of assistance and to be drawn together into some kind of a united front. There seems to be a real desire amongst growers to help one another and this has engendered a fine community and industry spirit. The Federation's main responsibility is to render a service to the grower by means of a "keen co-operative spirit".

I do not hold out the association as the panacea of the industry throughout the world but, after studying the situation at depth, I believe it has achieved something which could be envied by the fruit industry within Australia. It is perhaps worth noting that it is allowed to trade which our local association in Western Australia is precluded from doing. In the year prior

to the date of this publication the turnover was \$5,043,682 which was spent in buying in bulk spray and fertiliser requisites for growers at greatly reduced rates and passing the benefit on to the growers. I would like to read some points which concern the trading aspects. First, I mention that the prime object of the federation in undertaking trading was to obtain a fair and competitive price for the growers. The report states that in the first year of trading in 1920 the turnover was £2,000 and by 1968 the figure was in excess of \$5,000,000, which I have already mentioned. It reads—

The Federation now has by far the major business in orchard supplies and has built up a much appreciated goodwill with fruitgrowers on sound business lines based on service, quality and price. Many of the materials are produced in the Dominion, whilst those which need to be imported, particularly spray materials, are imported in bulk at very keen prices. The policy of the Federation has been one price to every grower, whether big or small.

One cannot blame the Minister for Primary Industry for perhaps couching his remarks in such terms when the industry in Australia approaches him for assistance. He has told the industry to put its house in order and follow the lead of some competitive countries.

This is probably a little unfortunate as far as the grower is concerned, because he has been putting his house in order for many years. Perhaps marketing and distribution in Australia generally has been such that anomalies have arisen and have not been corrected. However, the Minister is virtually telling us now that unless the licensed exporters do something the industry will become extinct. If the Minister does not intend to help the growers, who have done everything for so long, can they possibly hold out while the exporters, spurred on by the fear of losing the trade, do something about it?

Mr. H. D. Evans: Would you say this applies in Tasmania?

Mr. REID: I cannot hear the Minister.

Mr. H. D. Evans: You cannot compare grower progress in Western Australia with Tasmania.

Mr. REID: I still cannot hear.

Mr. H. D. Evans: Grower progress in Tasmania has not been as spectacular as in Western Australia. I am referring to progress in reorganising the industry. Would you say there are still difficulties there?

Mr. REID: In reply to the Minister's question I say I think we in Western Australia are fortunate. The policies adopted in regard to horticultural advice have been very wise. I think we are favourably placed and I would like to dwell on that subject later in my address. As I said

before, we export 98 per cent. of the world's best apples. Tasmania is less fortunate in this regard and lack of action by some authorities—difficult actions, if I may call them that—has allowed this to continue while we have done something about it.

*Sitting suspended from 6.17 to 7.30 p.m.*

Mr. REID: Before the tea suspension I was discussing the activities of the New Zealand Apple and Pear Board. To give members some idea of what takes place I would like to read some information relating to composition of the board and indicate how this organisation works in New Zealand. I quote—

The Apple and Pear Marketing Act No. 53 1948 was passed late in 1948 by the New Zealand Parliament. This legislation enabled the establishment of the New Zealand Apple and Pear Marketing Board and made provision for the acquisition and marketing of all apples and pears, both locally and overseas. The Board had power to fix average prices to be paid in any season and these prices would be determined by the Minister for Marketing in consultation with the New Zealand Fruitgrowers' Federation within certain limits in accordance with the declared costs of production.

More recent amendment to the Act in 1967 has increased the membership and four persons are now nominated by the Federation, two other members by the Government, who, in addition to their Board responsibilities, will also represent the interests of consumers. Another amendment is that the members now elect one of themselves as Chairman and another as Deputy Chairman, and this is now similar to the South African Deciduous Fruit Board.

It is interesting to examine the composition of this marketing board in New Zealand and to note the strong grower participation there is on it. To continue with my quote—

A Government Enquiry in 1961 into local marketing of apples and pears more or less confirmed what has been known as the "Colman Enquiry" conducted in New Zealand in 1937. The findings are quoted as follows:—

"It found controlled marketing of apples and pears had brought a measure of stability to the industry with justice to all concerned and this was well appreciated by those engaged in it."

There is much other valuable information in this report on the industry in New Zealand which I think could be of tremendous value to the committee should my motion for an inquiry into this industry be successful.

Turning a little closer to home we have, as I mentioned earlier, the Tasmanian problem. Tasmania is a State virtually dependent on the production and sale of its apples; it would founder and go under if the apple industry in that State went out of business.

Because of the economy in the area the Government of the State is naturally vitally concerned about all that happens in that industry. This is probably why all Government departments have been so active in the fruit business in the past.

Because of the critical situation in Tasmania which has been felt by the growers for many years before the current slump hit the industry in this State many men have examined the industry in question. One of those who did this latterly was Professor Grant of the University of Tasmania. He conducted a survey into the fruit industry and I would like to read part of a summary of his findings and recommendations which is as follows:—

The basic problems facing the Tasmanian apple and pear industry stem from:

- (a) The high freight cost to its main markets.
- (b) Increasing costs in all phases of production, transport and distribution.
- (c) Increasing competition from other countries producing apples and pears.
- (d) The fragmented nature of the operation of the Tasmanian industry.
- (e) The lack of any long term policy or planning with respect both to production and marketing.

That does not indicate a very good, controlled, and organised industry. I will now read item four in the summary of findings. It is as follows:—

The financial effect on growers of the unfavourable United Kingdom and European markets in 1970 was offset, in some degree, by the operation of importers (and some Licensed Exporters) as speculative buyers. These buyers must have suffered substantial losses and their engagement in speculative activities in 1971 is unlikely.

I think it is necessary here to describe exactly what has happened in the past few years. Until then a high degree of speculation was entered into by exporters between the States of Australia and by importers in the United Kingdom and other markets. They literally offered the growers a price and then hopefully gambled with it to make some profit.

Unfortunately, because of closer and more constant pressure from exported fruits from other countries, this potential profit making was so bad that Western Australia was the only State in which no forward selling was undertaken.

From the last two years of operation in Western Australia we have reached the stage where no importer in the United Kingdom is prepared to offer anything but a very low guaranteed advance. No local shipper or licensed exporter from the States, either in Western Australia or Tasmania, is prepared to take over the ownership of the fruit with a view to buying outright and speculating.

Accordingly I think it is necessary to examine this change that has come over the industry. In one way or another the grower is responsible for his fruit right down the line.

I would like to read some further items of interest from Professor Grant's report. They are as follows:—

- (vi) The formation of a statutory body to be called the Tasmanian Apple and Pear Authority which will be responsible for the co-ordination of all aspects of the Tasmanian apple and pear industry.
- (iii) that the title to all apples and pears accepted for overseas export from Tasmania be vested in the Authority and that such fruit shall become the absolute property of the Authority free from all encumbrances.
- (x) That the Authority undertake the planning of the future development of the industry in order to co-ordinate the efforts of all participants.

It is also envisaged that finance be raised from the rural credits department of the Commonwealth. I would remind members that these are only suggestions from the Grant report, but they seem to form a pattern for growers throughout Australia advocating a need to unite and perhaps forgo some of their liberties in order to get some rationalisation into the industry.

In 1961—10 years ago—a Royal Commission was appointed to inquire into the fruit industry in Western Australia. This commission has been widely criticised as not achieving very much in the way of gain for the industry generally. I do not propose to quote very much from this report except a little of the evidence that was given. Things have changed very much since the 1961 season which was related purely to a forward selling basis where the growers sold outright and passed over the ownership of their fruit to their exporter or importer at the time before the crop was even picked. Now of course

this is all changed. The part I would like to quote from the report of the Royal Commission relates to the apple industry of 1961 and reads—

A grower in the Bridgetown district—

and incidentally that does not refer to me. To continue—

A grower in the Bridgetown district propounded a suggestion for the establishment of a grower-controlled State Fruit Board of ten members "to rationalise and stabilise the industry and reduce and co-ordinate marketing channels." Under this suggestion the Board would completely control both export and local marketing and would establish representation overseas. It would utilise the services of existing packers, merchants and shippers at remuneration to be fixed by it. It would be the sole marketing authority for West Australian apples and responsible for licensing and delicensing growers, packing shed operators, shippers, merchants and hauliers, each of whom would have a right of appeal from the Board's decisions. It would arrange for cold, common and/or gas storage of apples by negotiation with owners of stores. It would determine the prices at which apples should be sold locally both wholesale and retail and would confer with the Government as to suitable means of supplying apples to country centres, using Government transport where practicable, and road transport licensed by the Transport Board where the other was not practicable. In addition it would have the power to borrow money and to deal in growers' requisites and packing materials.

There is a clause which is similar to the New Zealand scheme. The next item refers to the judge's opinion on the situation and I feel it is worth reading. This is from Judge Gillespie and it reads as follows:—

To investigate and report upon the merits of proposals such as these does not come within the authority conferred upon me by the terms of reference of my Commission. Even had those subjects been within the scope of enquiry, the proposals, particularly the latter, are so ambitious and far-reaching and would effect such fundamental changes in the exporting business that I should not have been prepared to make any recommendations in their favour upon the evidence given. To investigate matters such as those, without more, would occupy one's attention for far more time than was devoted to them at the hearings of this Commission, constituting, as they did, but one of so many phases of the industry that were touched upon or considered. I would add, that on



the material that has been put before me, I am not persuaded that the causes of the growers' financial dissatisfaction cannot be removed except by banishing private merchants from the industry.

In these two paragraphs I think lies the reason for the appointment of a Royal Commission to inquire into the fruit industry in Western Australia not having the happy results the growers were expecting. Basically the growers felt the scope was too narrow and that the commission examined purely the local market and one shipper operator's actions against another without really getting to the root of the problem which was an inquiry into the whole industry.

How is it possible to look at one section of the industry without relating this to the sale, marketing, and distribution of apples overseas? The radical and sweeping changes suggested are those which are today being advocated by other sources throughout the Southern Hemisphere, because it is felt that this might be the salvation of the apple and pear industries. Ironically enough Australia is the only country which today has no form of organisation along these lines.

Having outlined fairly extensively some of the proposals suggested for a better industry in Western Australia I would like to outline briefly some of the ideas or proposals suggested by the Western Australian Shippers' Committee for the coming season.

When dealing with this critical situation we must remember that we have before us a freight rate increase of 54c; and a return which today is below the cost of production. We also have a Commonwealth Government statement that it will not at the moment reconsider any funds. Accordingly we have a stalemate. The Western Australian Shippers' Committee is aiming for a complete unitisation and palletisation of the Western Australian crop for the coming season.

It is aiming for a turnaround of shipping on the Western Australian coast. It is also aiming for a three-port loading and unloading and, if possible, no more than four. It aims for increased speed of loading, bigger bills of lading, more uniformity in imports, and a general streamlining of the industry.

At the present time the Apple and Pear Board is negotiating with overseas shipping lines. It refused the opportunity for Western Australia to negotiate on its own behalf. My own feeling is that sooner or later the negotiations must be reopened. The board's efforts broke down after four months of overseas negotiation. So the board is in a weaker position and when it reapproaches overseas shipowners it will find that the freight rate will not be lower; if anything, it might be higher than

the previous offer which lapsed a fortnight ago. I believe the time will soon come for Western Australia to go it alone in order to survive in this area.

I feel at this stage it is too early to make any decision. I am sure every member of the industry in Western Australia will want to act within the national interest. However, when all hope is gone I think we must look to running the industry within our own State.

Mr. Rushton: Run it as a separate industry?

Mr. REID: Yes, a completely separate industry. This was requested, and the board refused. I think the time will come when this has to be considered as a position of strength when bargaining with shipowners. We can bargain with shipowners who are dropping bananas into Japan and then coming down here to call in and pick up our fruit for delivery to the United Kingdom markets.

However, before making this decision I think it is necessary to weigh the pros and cons. We do not want to throw this away in favour of a short-term benefit when, in the long term, we may find—as I think will be the case—that the marketing pattern in this State will change and that, instead of sending 80 per cent. of our fruit to the United Kingdom market, the percentage must be reduced and alternative markets found. So much for the Western Australian Shippers' Committee operations at the present moment.

I would like now to turn to the efforts of growers in the last few years which, I think, are of some worth. Some three years ago a group of local growers, realising that the situation was steadily becoming worse with each passing year, and knowing that the cost of the export carton amounted to something like 80c a bushel, formed themselves into a group. At that time the carton was the only method available for transporting produce to the United Kingdom, and it costs close to 80c for every box of export apples. No industry can afford to throw away that amount of money with every box of produce.

Following the earlier experiments with bulk fruit from Tasmania, which dated back as far as 1958 in a limited way, the growers formed themselves into a group. I was active in the group at the time, but I have recently had to dissociate myself from it because of the position I now hold. We formed ourselves into a group and decided that we would consign our own fruit because we were unhappy with the results being obtained from the conventional method of selling the apple crop. We decided to use the new method of bulk transportation and to add to it the benefits of picking from the tree direct into bins and sorting the apples in a very simple operation.

This was successful beyond our wildest dreams; so much so that at first we thought we were just lucky. The member for Narragin has always chided me about the doleful manner in which I have approached the apple industry. However, I can assure him that there is now a ray of hope in the fruit industry in this regard. For three years now we have been consigning fruit in this way and we have found that not only is the equivalent cost per case reduced, but also we receive an additional benefit because the fruit out-turns in a far superior manner.

As I said earlier, apples must have a high handling requirement and this can be achieved only with well-watered orchards and with trees which have been well tended and well grown. The apple is taken straight from the tree into the bin and sorted in a very simple fashion. Perhaps one could even use a tarpaulin with a cushion on the back.

After sorting, the apples slide into the bin and we then spray them with calcium nitrate for protection against bitter pit and scald. We take all the necessary precautions to keep the fruit in the best possible condition. The fruit is then inspected, the boxes lidded, and shipped direct at a concession rate, because this is a bulk operation, to the United Kingdom. There the fruit is handled in the large grower co-operatives.

This year the average return to growers—and probably some 40 or 50 growers adopted this type of marketing—looks like it will be very close to \$1.73 net per carton. This is a vastly different kettle of fish from the below-cost-of-production price of 85c. I have here returns in relation to fruit which was shipped to the United Kingdom commencing with the *Jervis Bay*, arriving at Tilbury on the 5th May. The returns involve several growers and they provide every detail of the selling season for Australian fruit to the 31st July of this year.

Mr. Nalder: Have you the date on which the apples were loaded in Western Australia?

Mr. REID: The returns include everything—the date of loading, the date of discharge, the date of sale, and every other detail including the average net returns which, as I have already mentioned, are expected to be very close to \$1.73 a bushel.

Mr. Gayfer: Is it sold on an f.a.q. basis?

Mr. REID: This fruit is sent on consignment, direct to the United Kingdom. Bear in mind that when one ships through a shipper pool one retains the ownership of the fruit right through to the end of the line. However, in this case, the fruit is pooled in a bigger pool. If a grower is operating on direct single consignment he may if he wishes join with somebody else and form a pool. Possibly the best method is to have fruit on five different ships to the United Kingdom. I think it is interesting to note that the average net return

from the United Kingdom for a case of apples is \$4.60. One grower might net \$3 for a case, whilst another might net only 80c. My average—by spreading—was \$4.59.

Mr. W. A. Manning: What type of apples?

Mr. REID: I am referring to Granny Smiths which comprise 93 per cent. of the exports from Western Australia.

The SPEAKER: I would ask members who wish to ask questions to speak a little louder because it is difficult for *Hansard* to hear.

Mr. REID: I would like to illustrate my point by citing the example of a grower who consigned 480 bushels in bulk bins and 498 bushels of apples in conventional cartons packed in the normal manner on the same vessel. There are two different types of bulk bins, and I hope to elaborate on this a little later. I refer now to the net return for the bulk fruit. The United Kingdom net price was \$2,241 and the overseas freight and the Australian cost—including precooling—amounted to \$1,203, leaving a balance of \$1,038, or \$2.17 a bushel. Out of that he had to pay the cost of construction of his bulk bin, which worked out to 80c a bushel. This gave him an initial grower's margin of \$1.37.

He will receive 46c under the Federal Government stabilisation scheme, and a loading rebate of 7c. That rebate is for the speed of loading vessels throughout the Commonwealth. He received 20c a bushel from the sale of his redwood bin. In this case his bin was made out of dressed seasoned karri and it is a beautiful bin. Such bins command a resale price in the United Kingdom. Add all these together, and we find that he can confidently expect \$2.10 a bushel.

This fruit was picked from the same orchard, the same grower handled it, and it was shipped along with the fruit packed in cartons. With regard to the carton operation, the net United Kingdom price was \$2,447.25, and overseas freight and Australian costs amounted to \$1,616.20, leaving a balance of \$831.05, or \$1.80 a bushel. The grower concerned owned his own shed and packed each bushel of fruit into a cardboard carton which cost \$1.20. So if we take the \$1.20 from the \$1.80 we are left with a grower's margin of 60c.

He will receive the same Federal Government stabilisation scheme payment of 46c and the same loading rebate of 7c, giving him a total of \$1.13. I might mention that both the Federal Government stabilisation scheme payment and the loading rebate have not yet been paid. I think it is interesting to note that both these consignments were shipped on the same vessel and I would like to draw the attention of members to the fact that \$2.10 was received in the case of the bulk fruit, as against \$1.13 in the case of the cartoned fruit. This

surely demonstrates that the bulk fruit did have a tremendous edge over the other. Fruit selling for \$6 Australian a carton in the United Kingdom provides a grower profit of approximately 60c.

I would like to pursue a matter which I think provides some hope for the industry, and I will quote from a report entitled *Bulk Fruit Shipments 1968* by W. F. Walker, Chief Horticulturist of the Department of Agriculture, Tasmania. He made an examination of fruit shipped in different cartons and different types of bins, orchard handling as against shed handling, and the economics of the industry. He also made recommendations. I would like to read some of his comments in regard to the changes in the retail fruit trade. He said—

The changing retail trade has resulted in an expansion of fruit sales through supermarkets and chain stores and shops. The demand for freshly sorted produce is increasing. Some prominent English fruit importers have been supplying this changing retail trade for some years and it was found that their business and fruit needs were expanding.

Other importers are now exploring the supply of fruit to meet these retail demands.

There is now a real interest in bulk fruit supplies in bulk bins, strapped pallets, strapped crates or any other means of satisfactory unitisation. Besides the advantages in expediting discharge and movement from the docks, this class of fruit is required for rapid pre-sorting, and supply to large supermarkets and chain store establishments.

Mr. Walker then outlined the advantages of orchard filling bulk bins, stressing the improved economics and improved quality. He made a comparison between cartons, orchard filling bulk bins, and shed filling bulk bins. Each time that an apple is handled a superficial bruise is caused. Because of this our apples command a premium price at the overseas destination as a result of the method we have adopted.

Mr. Walker went on to say—

The cost of construction and maintaining modern packing house facilities, adequately equipped with grading and presentation facilities to meet increasing export standards, involves considerable expense and particularly so when only used for about 12 weeks of the year.

We have millions of dollars of capital tied up in packing houses to handle this trade during a limited period; and in the United Kingdom and other countries there are vast handling and storage facilities which could be better equipped to handle the fruit. To prove this point I will refer to some of the co-operatives which are

operating in the United Kingdom, and I will mention their capacity. East Kent Packers have the capacity to handle approximately 6,000 bushels a day. This organisation has cool storage capacity for 1,500,000 bushels of fruit, which is half of the total crop grown in Western Australia. The Waveney Apple Growers' Co-operative has a capacity of 500,000 bushels. That is the throughput of the grading, sorting, and marketing division. The Home Grown Fruit Co-operative which handles the marketing of a wide range of grower co-operatives in that country has a turnover of between 3,000,000 and 4,000,000 bushels. It has facilities to handle bulk bins from Australia, and it can put through a bulk bin in two minutes. It has graders as long as 210 feet.

Some of the findings in the report I am referring to prove conclusively that the superior grading equipment used at the point of packing is of advantage at the point of sale. Some of the conclusions are—

Bulk and unitised fruit shipments will provide the initial remedial measures to the chaos, confusion and inefficiency usually associated with Tasmanian overseas fruit discharge. The multiplicity of labels, brands, shipping numbers, agents and fruit importers is increasing to an alarming extent and unless this is arrested there could be more export marks than there are growers producing fruit in Tasmania.

The Tasmanian export fruit industry presently experiencing economic stress cannot afford to perpetuate much longer what now appears to be a very, if not the most, expensive cost of presentation, shipping and distributing fruit on United Kingdom and European markets.

One of the recommendations is—

The field operation of sorting out low-grade fruit during the orchard filling of export bulk bins requires a search for new techniques. The utilisation of small revolving sorting tables and bin filling devices in the field or headland could be explored.

I regret that at this stage there seems to be a lack of action by the Department of Agriculture in Western Australia in this area, and this is most unfortunate. In view of the tremendous interest that is shown in Tasmania by the Department of Agriculture, it is most regrettable that similar action has not been taken by the department in Western Australia to undertake a study of all these operations. As yet nothing in this direction has been done in this State, and no reports have been furnished with the exception of those dealing with prices and net returns to growers.

I think this illustrates the confusing picture of overlapping authority. The Western Australian Shippers' Committee

which holds the export licenses and handles the distribution and marketing of fruit can hardly be expected to jump with joy at the thought of bulk handling of fruit, but when the growers are literally fighting with their backs to the wall such things should be set aside and the matter looked at realistically.

The volume of fruit exports from Western Australia should be of interest to the House. My comments are based on a 2,000,000-bushel crop. The fruit requires precooling, and this costs 25c a bushel; and 2,000,000 cartons of fruit at 25c is equivalent to \$500,000. The need for an inquiry into this industry is evident, in view of the fact that modern ships can guarantee that the temperature can be reduced sufficiently within 24 hours of loading. However, it seems that it is much easier to make a rule to apply to everybody, and so the charge of 25c for precooling is retained, and each year it will rise steadily.

It is interesting to obtain the views of fruitgrowers who own their own stores. A third of this charge represents probably the cost of production, so we find there is a profit margin in this operation. We should bear in mind that some of the cool stores can reduce the temperature to a sufficient level in 24 hours. If one carton is removed another can replace it, and so another 25c in storage charge is obtained.

The commission rate on a 2,000,000-bushel crop represents \$600,000. This year the commission was increased to 30c a bushel. For as long as I can remember the commission has been 20c a bushel. We should bear in mind that some exporters in the year before the general agreement was arrived at charged 8c a bushel. Based on a margin of profit of 50 per cent., the increased commission of 30c a bushel must be regarded by the growers as more than excessive, particularly when the growers do all the spade work and deliver the fruit to the co-operative for disposal on consignment lots.

The packing charge on 2,000,000 bushels at about \$1.35 represents \$2,750,000 to \$3,000,000. It is generally acknowledged there is a 20c profit margin on this operation, so the margin is \$400,000.

The cost of a carton is about 80c; and that of 2,000,000 cartons at 80c each totals \$1,600,000. I would point out that the growers cannot buy the cartons themselves; they have to purchase them through licensed exporters, and this is the only way they can obtain them. The licensed exporter charges, probably justifiably, a profit margin of  $7\frac{1}{2}$  per cent. to 10 per cent. on this deal. If he buys the cartons early in the season he gets a bigger commission, but if he buys them late in the season he probably gets a profit margin of  $7\frac{1}{2}$  per cent. These figures are only approximate. However, the growers cannot obtain the cartons direct, and

they must pay at the minimum about  $7\frac{1}{2}$  per cent. above the cost to the licensed exporter, and based on 2,000,000 cartons this margin of profit represents \$150,000. There is a further cost involved after the packing operation has been completed and the cartons have been presented at the packing shed door ready for delivery f.o.b.

The Western Australian Shippers' Committee has quoted a charge of \$1.01 f.o.r. or f.o.b.; but taking into account the expenditure involved in road transport to Fremantle, precooling, commission, levies by the State and by the Federal Government, and insurance, the cost totals only 88c. There is a difference of 13c a bushel; and on 2,000,000 bushels the difference represents \$260,000.

I am not trying to find any bogies in these operations, but when we look at the potential profit margins which have been demonstrated we realise that the handlers or the licensed exporters have a potential profit margin of \$1,360,000 in a \$6,000,000 exercise.

Let us examine the grower's returns from exports. As I mentioned earlier this evening he is left with 85c a bushel; and 2,000,000 bushels at 85c each represents approximately \$1,700,000. The grower has to pick the fruit and for this he must employ pickers, and he has to deliver the fruit to the shed. This cost averages 30c a case, and represents \$600,000. Then the costs of pruning, of fertilisers, and irrigation over a 12-months' period have to be taken into account, and I have conservatively allowed 50c a bushel for this. On a 2,000,000-bushel crop this cost represents \$1,000,000.

I have assumed that the cost of production is 80c a bushel, but I believe it to be closer to \$1 a bushel. Let us assume it is only 80c; the grower is then left with about 5c a bushel. Based on 2,000,000 at 5c a bushel, the amount left in the growers' hands is only \$100,000.

I would point out that the growers generate wages and employment representing in excess of \$6,000,000, but they end up with only \$100,000. That is the present situation. The member for Narrogin will forgive me for looking very doleful. The point is that this \$100,000 is spread over 1,700 growers, and averages \$60 a head. The \$100,000 remaining with the growers, when measured with the potential profitability in excess of \$1,000,000, illustrates that something is wrong with the industry, especially when we take into account the fact that the growers in some areas can by their own efforts with consignment boost their returns.

Mr. Rushton: You have not allowed for the grower's investment there.

Mr. REID: I have not allowed for any of that. With the help of co-operatives in the United Kingdom, a group of growers decided to tie in the bulk bin idea with

shipping containers. They used a collapsible type of bin which fitted into the shipping containers. These could be orchard filled. The average capacity of an overseas shipping container at the present time is about 426 bushels, and by the use of certain carton sizes it is possible to fit in 510 bushels. However, this year it has been possible to put the equivalent of 575 cartons into each container by using bins. The bins can be folded up. They are sent away in refrigerated ships, and on being unloaded at their destination they are sent back by ship to Australia for further use. This is the ultimate method in the handling of fruit.

Last year representation was made on behalf of the growers to the Australian Apple and Pear Board for a trial shipment of these collapsible bins. They requested a placement of 10 ship containers for the purposes of this trial, but no help came from the Department of Agriculture or from any other source. This move was instigated by the growers. The board said this did not come within its jurisdiction, so the growers had to approach OSRA.

A letter was sent to OSRA setting out the beneficial effects of trade in transporting the returnable bins back to Australia. OSRA, in its deliberations, decided it would not create a precedent by dealing with the growers or groups of growers but referred the application by the 19 or 20 growers—who had put themselves out on a limb and entered into tenders for the construction of the bins with no guarantee—back to the shipper's committee.

The shippers decided this was an individual matter and should be dealt with by each shipper. The association, because it could show no preference to any particular industry, took no action. What a terrible situation. Some shipping companies were most co-operative but others were not.

We are talking about an industry, and about an inquiry into the future of that industry. We want to direct it along a path which will enable it to have a viable future. We are not looking for handouts or an unfair stabilisation scheme. We want to offer a constructive scheme. Many people and towns in the south-west areas of Western Australia are vitally dependent on the survival of the industry.

Turning to exports, we must realise that Japan is probably the greatest prize in the Asian field, not only for our apples and pears, but for many other products also. Unfortunately the Japanese are a little hard to negotiate with.

Mr. May: How do you mean, hard to negotiate with?

Mr. REID: I am referring to their requirements, which I will refer to for the benefit of the Minister. I am referring to their criteria laid down for the importation of fruit into Japan. I will quote

briefly from a letter from the Minister for Primary Industry which is dated the 13th September, 1971. It reads as follows:—

Following our discussion, I asked my department for a report on the progress achieved in securing a separation in the minds of Japanese authorities of fruit grown in the West as opposed to that grown in the rest of Australia, particularly so far as quarantine requirements were concerned.

I have a minute from the department which deals with the matter, but perhaps I can explain the situation more expeditiously by quoting from a reply I received from the official representative of the Western Australian Government in Tokyo. The letter is dated the 6th August, 1971, and it reads as follows:—

First of all, as our apple season in W.A. is during the opposite season to that of Japan, there is no possibility of there being an over supply of apples, and in fact the Japanese Government liberalised apples by removing the restriction on the import into Japan on 1st May this year.

I might add that prior to a year or two ago only four tons of apples were imported into Japan, and they came from South Korea. To continue—

However, the Japanese Government will not permit the import of apples from any part of Australia because of the fact that we have Codling Moth and Mediterranean Fruit Fly. It has been pointed out by me and Commonwealth Officers, as well as officials from C.S.I.R.O. from time to time, that we in W.A. do not have Codling Moth. We have also pointed out to the Japanese that Queensland which has the most Codling Moth, is about the same distance from Perth as London is to Cairo, or Tokyo is to Manila. They repeatedly have failed to acknowledge this fact, and continue to regard Australia from a quarantine point of view as one country and not a group of separate States.

I do not think this can be justified fairly provided we take steps to enforce the quarantine laws which are applicable in Western Australia. As members probably know, no fruit is allowed into Western Australia for this very reason. However, the only effective screening we have is in the form of a few signs warning people that they are breaking the law.

Following 30 years of representation from the Fruit Growers' Association and representation from other agricultural organisations in Western Australia, the Minister recently announced that a mobile checkpoint will be established as soon as possible and that it has a high priority. I believe we must have this checkpoint if we are to trade with the Japanese. We

have to bear in mind that Western Australia is the only State in the Commonwealth which has any hope of dealing with the Japanese because we do not have the codling moth. We will have to improve our quarantine regulations—which are law at the moment—to prevent infested fruit from coming into Western Australia.

Mr. Nalder: The Minister's action follows what was proposed by the previous Government.

The SPEAKER: I cannot hear the honourable member's remarks.

Mr. REID: I will quote some statistics from the report of the mobile checkpoint which was established on Eyre Highway last year as an experiment. If the checkpoint was set up a long way from civilisation it would be fairly difficult to get staff to stay out there. Not many would be anxious to volunteer for the post. I believe the isolation of the area is one of the reasons a checkpoint has not been set up already. The statistics I am about to quote are contained in a letter received from the Director of Agriculture, and it is dated the 12th August, 1971. The total number of vehicles checked was 2,539. The vehicles necessitating confiscations totalled 600; actual confiscations, in lots, numbered 874; fruits, nuts, potatoes, onions, and seed totalled 2,496 lb.; used fruit and potato containers numbered 71; and plants in soil numbered 314.

I think those figures demonstrate that for many years potentially dangerous materials have been coming into Western Australia. Personally, I believe that a checkpoint, in conjunction with signs clearly indicating that any offender caught contravening the Western Australian regulations would sustain a very heavy fine, will lead to a much cleaner environment in our State as far as the fruit and vegetable industry is concerned.

The Japanese do not want any infestation brought into their country, and who can blame them. The fruit fly investigation section established in the Department of Agriculture has come up with some fairly hopeful signs which show that the pest can be controlled. From questions asked in the House earlier this session it would appear to be an insurmountable task to eradicate fruit fly from our State. The cost of control to the State at the moment is \$101,000 a year.

One method of controlling fruit fly is the cold sterilisation system. With this method the temperature of the fruit is lowered to 31 degrees for a period of time, and this kills the fruit fly and the maggots. However, the Japanese want to be absolutely sure, and they have laid down certain conditions to be met before they are prepared to negotiate with us. A stipulation is that 10,000 fruit fly, at the healthiest stage of their life cycle, have to be

killed by the cold sterilisation process with a 100 per cent. result. The 100 per cent. result must be achieved three times in succession. Until that is achieved the Japanese will not be convinced that we have a worth-while process of eradication.

I might add that cold sterilisation is now an automatic process. We do not have codling moth and if we can show that we can control fruit fly, we have a tremendous potential market available.

In Japan apples sell at the Australian equivalent of 25c to 30c each. That would probably be too much of a shock for the average fruit grower after receiving only 85c for a full box of apples. Referring now to the codling moth outbreak in Bridgetown between 1956 and 1959, the eradication scheme cost \$88,000. The Government contributed \$64,000, and the Fruit Growers' Trust Fund contributed \$24,000.

I have devoted most of my time to the export field because we must export otherwise we will have a chaotic situation in Western Australia. We are too far away from other markets and we do not have enough mouths to feed. We are already eating 1,000,000 cases each year and it is unlikely that we will be able to generate enough enthusiasm among our fellow citizens to increase the intake.

Mr. Nalder: Perhaps there is not enough advertising.

Mr. REID: We have tried advertising and we spent up to \$15,000 in one year. There is a point beyond which advertising has no response, and there is a limit to the volume which can be put on the market.

At present the Metropolitan Markets charge 11-1/9 per cent. commission on fruit. This is one of the problems associated with the cost spiral. The nine members of Fruit and Produce Agents Pty. Ltd. sell at the percentage I have mentioned, and two other market agents sell at a lower percentage commission. I do not doubt that the agents can justify their commission rate. However, when the pressure is on growers sell more fruit direct to the supermarkets. One must excuse them for trying to get the best out of a deal. When this is taken to the extreme it progressively lowers the price on the local market.

Growers are alarmed, after selling their fruit at 6c a pound at the markets, to see it being resold at between 15c and 20c a pound. Again, this is obviously a result of the cost spiral. We must have the agents in the market but unfortunately there is a movement away from the Metropolitan Market Trust. I know this is causing concern and the answer is in doubt.

The returnable plastic containers introduced recently appear to have some merit but the deposit is between \$2.20 and \$2.30.

which is very high. The containers cost 20c to hire for each time they are used. Despite the cost the system has worked quite well. The deposit may be necessary to ensure the safe return of the containers. However, their use is limited in the south-west of the State. They will probably be used with road transport, but otherwise there is the problem of pilfering.

During the last season one grower from Bridgetown sent 95 cases of peaches by rail to Kewdale. By the time the fruit got to the market five of the containers had to be used to top up the rest. They were probably quite a tasty variety. Pilfering, of course, is against the law but it does occur.

At that time peaches were selling particularly well and, of course, his loss was tremendous. He did not send any more peaches in the containers—and definitely not again on the railways.

The installation at Kewdale has itself created an additional problem for the fruit industry. It is a very impressive operation and the association of fruitgrowers has received full co-operation from the W.A.G.R.; but the fact remains that the freight from south-west centres to Kewdale is the same as the freight from those centres to the Perth markets. The fruit must still be transported from Kewdale, so there is an additional cost factor. The carriers are asking 10c an article for transport to the market. That is another problem in the local field.

We have an Apple and Pear Sales Advisory Committee, which I feel is one of the results of the Royal Commission into the fruit industry in 1961. The committee has done a tremendous job since its inception in maintaining quality and size. In some respects, the fruit industry in Western Australia is very fortunate because it is ahead of the industry in the majority of the Eastern States; but I am convinced that when the market is virtually over-supplied for economic reasons, no limitation on size or quality will save the industry from economic ruin, which is the alternative it faces in the coming season. Next summer, 3,000,000 bushels of fruit will be coming onto the market, which can absorb only 1,000,000 bushels, at the very best, unless export opportunities are available.

Ownership of fruit passing through the Metropolitan Markets is posing another problem. Fruit-fly infestation is also causing problems in regard to the legal ownership of the fruit. The quality breakdown because of growers selling direct to shopkeepers and bypassing sources of inspection creates problems and legal disputes as to the ownership of fruit which does not meet the standards laid down by the Apple and Pear Sales Advisory Committee. These are some of the problems and pressures that are causing increased confusion.

Processing outlets are emerging as one of the most important aspects of the industry in Western Australia but, because of breakdown of nationwide unanimity amongst growers in the Eastern States, a general breakdown occurred in the juicing and pulping prices, and the growers suffered badly. Instead of receiving 1c a pound net, they received only .5c a pound net, which made processing an uneconomic proposition. Nevertheless, 12,500 tons—or 625,000 bushels—of fruit were processed at processing works. The drop of .5c a pound last year because of a growers' price war between States resulted in a loss of \$125,000 to Western Australian growers—a sum which they could scarcely afford to lose.

I have taken longer than I intended to outline the industry, which is of such magnitude and complexity that one must cover the whole course, so to speak. I hope I have demonstrated to the Government that there is a need for an inquiry to be made into the apple and pear industry in Western Australia. I hope I have indicated a direction in which the industry can travel, and I believe that if the right steps are taken Western Australia will have a viable industry for many years to come.

**MR. H. D. EVANS** (Warren—Minister for Agriculture) [8.35 p.m.]: I realise that the member for Blackwood moved his motion as a result of a motion moved at the fruit growers' conference this year. I listened with great interest to what the honourable member said, and I consider he covered the wide ramifications of the industry very well. However, there are several aspects which he did not emphasise and which I feel should be elaborated.

The member for Blackwood indicated that a crisis existed in the industry. He used the word "crisis" on several occasions. However, I think the immediate crisis is the one that exists at the Federal level, which has been given earnest consideration by the Government in the last few weeks. Perhaps I can outline what has transpired and give an indication of the concern that is felt on this side of the House and the actions that have been taken and are currently being negotiated.

The immediate crisis exists on a national level; it is a problem regarding State and Federal negotiations. I will outline the events in chronological order. During the annual conference of the fruitgrowers' association—at which the motion referred to by the member for Blackwood was passed—strong reference was made to the increase in freights, and I understand the industry is adamant that it will not ship fruit this year under either the present or the proposed freight structure. This matter has gone back into the melting pot and the crisis has emerged even more clearly.

The 24th September was the date set as the deadline for acceptance by the Apple and Pear Board, representing the industry, of the offer made by the shipowners for the export of the coming crop. The increase of 24 per cent. which was offered was not accepted, and the offer was withdrawn. On the 24th September the shipowners formally notified the industry that the offer had been withdrawn, with the result that no arrangements existed for the export of the coming crop.

As the member for Blackwood said, this situation is disastrous not only to Western Australia but also, to a greater degree, to Tasmania, and the agitation of the Minister for Agriculture in Tasmania when he sought an opportunity to discuss the matter with the Minister for Primary Industry can be readily understood.

The Minister for Agriculture in Tasmania notified the other State Ministers of his action on the 25th September—the day after the withdrawal of the offer by the shippers. In order to support the Tasmanian industry and present the case for Western Australia, I attended a meeting in Tasmania on the 28th September at which the matter was raised and discussed. It must be remembered that the offer made by the shipowners had been withdrawn at that stage.

The member for Blackwood referred to points that were raised by the Minister for Primary Industry at that meeting. Perhaps I could touch on several of the points and indicate the attitude of the Commonwealth Government at this very worrying stage of negotiations to provide opportunities for the export of fruit from Australia.

It appears that the Apple and Pear Board—which is the authority in this industry, and upon which rests the responsibility for negotiating freights, issuing licenses, and so on—had not been negotiating with the shipping conference as such. Some of the members of the conference had not participated, and it appears that negotiations had been conducted with a consortium, which meant that, technically speaking, the Commonwealth Government was not in a position to enter into discussions with anyone other than the conference, which was the constituted body.

I make this point to illustrate the position in which the Commonwealth Government finds itself. This was one of the reasons the Commonwealth Government had difficulty in acceding to the requests which were made at the meeting in Hobart to which I have referred.

Tasmania put forward a proposition for increased Commonwealth aid through the equalisation scheme. The level of aid sought was 80c a bushel for a total of 7,500,000 bushels. The Minister for Primary Industry was rather adamant in his attitude. He indicated that the attitude of the Commonwealth Government was

firm—to say the least—and he said that the industry could not expect any assistance. He was not prepared to recommend assistance until such time as improvements had been effected in the performance of the industry. On several occasions he made the point very strongly that for six or seven years the industry had been hounded to uplift its performance and emulate the figures achieved by competitors—particularly those in South Africa, New Zealand, and South America.

The figures for loading rates in other areas were demonstrated to be far in excess of what had been achieved in Australian ports—particularly in Tasmania. The comparisons made by the member for Blackwood in the New Zealand, Tasmanian, and Western Australian industries are valid to a large extent, and his claim that Western Australia is in advance of the other States is not without foundation; in fact, he might even have understated it.

Approximately 60 per cent. of the total apple exports from this country emanate from Tasmania. Tasmania is, therefore, the main source of concern. By comparison, Western Australia exports something in the order of 20 per cent., and the remaining 20 per cent. is exported from the other States. As the economy of Tasmania is geared to a large extent to its apple export industry, that is the State about which the greatest national concern has been felt. The Minister for Primary Industry referred to the fact that Tasmania expects to achieve 30 per cent. unitisation in the coming year. This is an increase of 5 per cent. on last year, which indicates that improvements must be made in wharf facilities, cool storage, marshalling and call-up, and general packaging to a level approaching that existing in New Zealand if the industry is to survive the fierce world competition that exists at the present time.

The Minister went on to indicate that he would be prepared to reconsider the case if the industry could put forward submissions to show that these improvements had been effected. Once that had been demonstrated the approach to the Commonwealth could be considered but until such time this could not be done. If the improvements were demonstrated, the industry would be in a position to take full advantage of the rebates which the shipping companies had offered.

The Minister claimed that with over-production in the industry, such as was experienced here, it was difficult to justify a direct subsidy in any form. I might add reference was made to the report to which the honourable member referred, and the four alternative marketing authority suggestions which were proposed.

The question of industry finance is probably more of a worry in other States than it is in Western Australia and the prospect of reconstruction has to be looked at.



It must be remembered that the number of varieties which are grown in Tasmania in one sense present quite a difficulty when it comes to exporting. Some of the varieties are not popular on the world market and are not readily saleable. One of the contingencies raised by the Minister for Primary Industry was to the effect that these undesirable varieties should be re-worked or removed, and where an orchard was shown to be not a viable proposition it should be phased out. He went on to suggest, too, that the States have to examine the position with regard to horticultural reconstruction. Once this was done, a meaningful examination of the industry could be undertaken and a report presented to the Federal Government. At the same time he requested that it was necessary to have industrial representation to make a case but there was no suggestion of the type of representation or the form it should take. So it can be seen that on the export level some grave difficulties exist.

Upon my return in the middle of that week there was a meeting of the growers, the Department of Agriculture, the shippers, and representatives of the Fruit Growers' Association. The matter was discussed at some length and, of course, the discussion came back to what would necessarily transpire at a Commonwealth level. It was felt that with no arrangement for the export of fruit, something had to be done very rapidly, and it was felt that a quote should be obtained on possible freights which might be available to Western Australia. Perhaps this is undesirable, but having regard for the overall situation where there was no existing negotiation and the whole of the Western Australian fruit industry was in jeopardy, an approach was made to the Federal Minister by telegram and by telephone. Before a reply was received the Apple and Pear Board made a decision to reopen negotiations with the shipping consortium—the consortium and not the conference, as we know it. It appears as from today that representatives of the consortium will meet with a delegation of the Apple and Pear Board in Europe.

Along with the member for Blackwood, I feel that the shippers, having made one offer which they withdrew—and incidentally they set a deadline to expedite negotiations in the first place—the position has not improved very greatly, if at all. Probably the shipowners are now in a stronger position. Perhaps they will do no more than reiterate their previous offer as I feel any improvement would be unlikely.

There has been a subsequent consultation with the industry, but the period of waiting has been definitely detrimental to Western Australia. One of the vessels has been withdrawn from the shipping line from which a quotation would be possible so the situation has markedly deteriorated.

I feel that there is probably no difficulty or danger in Western Australia examining the position and even obtaining a quotation to see what could be achieved in an emergency. Indeed, a request of this kind has been made and at the same time an indication was sought as to what period of negotiation will be permitted by the Apple and Pear Board. It must be remembered the Apple and Pear Board controls the situation. If it refuses to allow Western Australia to negotiate, we cannot do so. However, at this stage it certainly is not a negotiation; it is just an examination of the possibility and I feel we are very strongly disadvantaged here.

That is the overall position with regard to the fruit situation and the difficulties that the industry faces. The provision of fruit space for the forthcoming crop has not been made at this time. Time is passing and as each day goes by our situation becomes weaker. Therefore, I draw attention to the fact that whether we like it or not we are faced with the problem of Tasmanian exports. The proposed negotiations between the Apple and Pear Board and the consortium are on the basis that Tasmania will undertake certain improvements in performance. This means a lessening of loading and discharge ports, a limited number of shipping marks, and that unitisation has to be achieved. Whether the Tasmanian industry can accept these measures, or indeed whether it can measure up to these requirements before the negotiations can become meaningful, is not known. From Western Australia's point of view, the industry has progressed very considerably to the point where the shippers are prepared, if necessary, to guarantee 100 per cent. unitisation for this coming crop. I feel we have been placed in a disadvantageous position which is not altogether the fault of the State.

To appoint a Select Committee at a time of urgency, and indeed a time of emergency, is probably not ideal, as the member for Blackwood would appreciate. Although a request has been made to the Federal Minister seeking his assistance to expedite some form of negotiation on an Australian level, or alternatively giving Western Australia a little more flexibility, suggestions for any other negotiating or examining authority are not going to be eminently successful. The member for Blackwood made consistent reference to the prospects of marketing and he drew attention specifically to the three reports from which he quoted.

These reports indicated recommendations of one sort or another for a marketing authority. I feel this is the right track, and indeed, if we recall the opening of the fruit growers' conference, it was indicated that preparatory legislation is in hand and it could be brought forward whenever the industry needs it. So if tighter statutory marketing is required, a

start has been made in this direction. I feel this is something the honourable member will welcome, as it is one of the aspects he felt strongly about. There will be no suggestion of foisting it on to the industry without proper examination; but as was indicated at the conference it is available, and it will be implemented if the necessity for it is expressed. However, at this stage there has been no request from the growers or from any other source. I make that point as it is germane in this context, and it is indeed indicative of one of the areas of agreement with the member for Blackwood on this very vexed matter. I remind him there has been no approach in this regard at this time.

Mr. Reid: I missed the point, I am sorry. What approach?

Mr. H. D. EVANS: An approach for the implementation of marketing legislation. No approach has been made at this stage, but the legislation is there if the trends in the industry indicate that it may be required in this coming season. Progress has been made to that extent—that is the point I am making. Indeed, I thought I made reference to it at the opening of the Fruit Growers' Association conference.

Mr. Reid: The conference asked for all the very things I have asked for tonight.

Mr. H. D. EVANS: The point I made in opening the conference was that this legislation had been prepared and was available when requested by the industry. This point was made in the opening address, I think the honourable member will find.

Mr. Reid: You have covered everything from grubbing grants to restrictions on planting have you?

Mr. H. D. EVANS: The actual powers within the authority would have to be examined and would not be laid down without consultation. To what extent this is desirable I hesitate to say without proper and full discussion, but the working legislation is there in draft form.

Mr. Reid: You can dovetail this into an export operation if that is required?

Mr. H. D. EVANS: Just one moment. There is a further development which does affect this State closely. In the last few days several of the States have sought a marketing authority on a national level. In itself this means that State legislation and State policy may have to be modified to meet the requirements which will be foreshadowed in any Commonwealth legislation. The approach has been made, and it is impossible to indicate what will result from it.

However, it is something we have to be cognisant of and obviously we would have to be prepared to accept any proposition that comes from the Commonwealth. How-

ever, a firm move has been made along these lines. What will transpire from it I cannot say at present.

Mr. Nalder: The proposal that you suggested would have to be implemented by the introduction of legislation.

Mr. H. D. EVANS: The proposal put to the Commonwealth has been for a statutory marketing authority, and I presume that legislation superimposed on, or superseding, the Apple and Pear Board legislation or other existing Statutes would have to be implemented. As I have said, at this juncture it has only been an approach and a request.

Mr. Nalder: I am referring to the proposal you mentioned at the apple and pear conference.

Mr. H. D. EVANS: If such a statutory authority is to be set up it would require Commonwealth legislation.

Mr. Nalder: Would it not be advisable to delay the proposal until the fruitgrowers are approached to gain their approval of it?

Mr. H. D. EVANS: That would perhaps be advisable, but no approach of this kind has been made. We have taken an initial move, with the help of a crystal ball, but we have only got that far.

Mr. W. G. Young: But if a request were made you would be prepared to implement it?

Mr. H. D. EVANS: Yes, it would depend on the industry and the request; but, in broad principle, we would agree to it. This is what is in our minds.

I wish to refer also to the points raised by the member for Blackwood who touched on several burning issues. He spoke of the actual cost structure within the industry itself, and the figures he quoted are most comprehensive. Indeed, to say the least, they are alarming.

The member for Blackwood drew attention to the commission rates and he spoke of packaging costs. He also touched on commission charges, and he had little need to draw attention to the escalating costs in the rural industry where diminishing returns have been the order of the day. We share his anxiety in this regard.

I must make reference to a further comment that was made about this industry. The member for Blackwood mentioned the Royal Commission that was held in 1961. However, we were so concerned with the apple and pear industry, that in 1968 there was a move by the then Opposition for a Royal Commission to be appointed to inquire into the rural industries in the south-west, and the apple and pear industry was specified. That request was rejected at that time. My colleague, the member for Collie, and I drew attention to a good number of points not unlike those raised by the member for Blackwood.

At that time the proposition was rejected on the basis that the situation was fully appreciated and understood. However, the same situation still seems to be with us.

Mr. W. A. Manning: But that did not apply to the apple and pear industry only; it included everything you could think of.

Mr. H. D. EVANS: It covered four aspects, but the apple and pear industry was emphasised by the member for Collie. I can recall the Leader of the Opposition making his point very firmly by way of interjection; that is, he could see absolutely no value in a Royal Commission being appointed. He said that everything that needed to be known was already known. However, that was in 1968, but nothing was done.

Our concern regarding the industry still remains, but I draw attention to the essential point that exists at the moment. We are not belittling or disregarding the problems that face the apple and pear industry. These are appreciated by us, but at present we are confronted with a Commonwealth situation whereby there does not exist provision for the export of the 1971-72 crop. To say the least, this is disastrous.

It is purely a matter of supposition, but if the freights that were determined in the initial offer of the shipping consortium remain at the same figure, we can expect that growers in Western Australia will not accept them. If this is the freight that is to be retained, and if this offer is repeated I do not know what will happen in Tasmania. Western Australia does stand a chance of benefiting from the rebates offered by the shipping companies, but until such time as we get some indication of what freights are available no further planning can be done. This is the major difficulty.

There are possibilities of further economies being effected and these could occur at the port of discharge where up to 10c or 12c a bushel can be saved—so I am informed—by the shippers. However, it requires a considerable amount of organisation. It requires loading directly into the conveyor at the wharfside and straight into the packing processing operation of the distributor. Until the full details relating to freights are understood, no further planning or negotiation can be made for savings in this regard.

Western Australia is in the position—indeed it has shown it can do so—to unitise virtually the entire crop. It is prepared to load from any two or three ports. This would be one of the requirements of the shippers and this State would be limited to a two-port discharge.

There are other conditions in regard to loading marks; shipping *en bloc*, etc., but these cannot be effected at the moment, because we do not know where we are

going, and despite the urgency with which we have approached the problem this is the position in which we are still placed. I would point out that special visits have been made to the Eastern States on this very point. There has been almost daily contact with the Eastern States for about a fortnight. We are still holding to the decision on which the Apple and Pear Board is still negotiating.

Since the conference, a minute has gone forward suggesting the formation of an industry committee to deal with marketing and policy as was done with the meat industry. The industry will be fully represented on that committee and it will be an approach to gain some guidance and direction.

This committee will be working with other industries and there is every indication it will work with the apple and pear industry. It could bring about co-operation and harmony between the shippers and the growers and with the Department of Agriculture. I have every confidence that in Western Australia, where the lead has been taken for improvements to be made in the industry, further achievements can be made.

I respect the view of the member for Blackwood, and I respect, too, the great personal knowledge he brings to the House on this matter. He has elaborated on the difficulties that are faced by the industry and the situation in which it is placed. Indeed, he has given a very good resume of what is happening in the industry at present. I point out to him, however, that his suggestions would be far too cumbersome to meet the situation with which we are faced at the moment. Because of the emergency we are faced with at present, I believe the proper course is to reject the motion the honourable member has put forward and proceed along the lines I have indicated.

Debate adjourned, on motion by Mr. Thompson.

### **BILLS (3): RETURNED**

1. Administration Act Amendment Bill.  
Bill returned from the Council with an amendment.
2. Property Law Act Amendment Bill.  
Bill returned from the Council with an amendment.
3. Wills Act Amendment Bill.  
Bill returned from the Council with an amendment.

### **BILLS (2): RECEIPT AND FIRST READING**

1. Adoption of Children Act Amendment Bill.
2. Property Law Act Amendment Bill (No. 2).

Bills received from the Council; and, on motions by Mr. T. D. Evans (Treasurer), read a first time.

## ELECTRICITY SUPPLIES

*Increased Charges: Motion*

MR. HUTCHINSON (Cottesloe) (9.15 p.m.): I move—

That this House condemns the Government on its decision to—

- (1) Increase electricity charges by 21% to metropolitan consumers.

I should have used the word "householders" instead of "consumers," and I would ask members to keep this in mind.

Mr. McIver: We had this last night.

Mr. HUTCHINSON: We have not had what I am going to say.

Sir David Brand: You might get it tomorrow, too.

Mr. HUTCHINSON: My motion continues—

- (2) Increase by 20% fixed charges for metropolitan and country householders.
- (3) Make substantial increased charges to industry and commerce throughout the State.

The people of the State have been fooled by the Government and the Premier—

Mr. McIver: For 12 years.

Mr. HUTCHINSON: —because they were led to believe, as a result of well-publicised statements made prior to the 20th February, that the Labor Party's pre-election promises could be implemented without recourse to extra taxation or charges. But what happened? In a few months of office the Government has blatantly imposed more punitive taxation than we have ever known in such a period of time.

The taxation and fiscal measures range widely throughout the whole of the State, and particularly in the matter of the outrageous electricity charge increases the people have been fooled over and over again. Apart from the aspect of broken election promises, the Leader of the Government, when in Opposition made it abundantly clear to the people that he was opposed to large profits being made by the State Electricity Commission. Indeed, he was opposed not only to large profits, but to any profits being made.

Mr. T. D. Evans: No profits will be made by the S.E.C.

The SPEAKER: Order!

Mr. HUTCHINSON: I intend to quote from *Hansard* to indicate how the present Premier has somersaulted in his views to an extent which makes fools of the people; and it is time the people appreciated this. When Leader of the Opposition the Premier also said that the commission should not be used as a taxing machine for capital works; and he expressed these views over and over again in his usual reiterative fashion.

Mr. T. D. Evans: Would you agree with him?

Mr. HUTCHINSON: As in the case of the Government's pre-election promises which I mentioned first, the Premier and the Government led the people to believe that they hotly opposed the very action the Premier announced publicly will be taken on the 1st November; that is, increased electricity charges for the purpose of capital works, amongst other things. A direct and amazing somersault. How cynical can you get, and how long can the people be fooled!

Mr. T. D. Evans: Nevertheless, it is an exercise with which you agree?

Mr. O'Neill: It is an exercise in somersaulting.

Mr. HUTCHINSON: No Government action as bad as this has ever been taken during my experience and the people should know the enormity of this offence.

Mr. J. T. Tonkin: You have a pretty bad memory then.

Mr. HUTCHINSON: Let it be noted that I repeat those words.

Mr. J. T. Tonkin: That does not make any difference. You have a bad memory, but I will refresh it later.

Mr. HUTCHINSON: Lest there be any doubt about this, let us read what was said on Wednesday, the 30th October, 1968. On page 2351 of *Hansard*, Mr. J. T. Tonkin is reported as having said—

Another aspect of Government policy with which we find ourselves in disagreement, is the policy which has grown up and developed under this Government of charging present consumers for depreciation on existing works and capital expenditure on future works. Take the State Electricity Commission, with a profit last year exceeding \$4,000,000; that money was raised deliberately in that way for the purpose of financing new works. Therefore, in addition to paying the cost of the generation of current which they use, and depreciation on the capital works which generates that current, the present consumers are being asked to pay for capital works which will benefit future consumers.

He goes on to say—

We find this all along the line—increased charges in order to get additional revenue so that the money can finance forward capital expenditure . . .

He then repeats some of the words I have just read. The following year Mr. J. T. Tonkin, the then Leader of the Opposition, said much the same thing on the 21st October. On page 1669 he says in brief that the State Electricity Commission is being used as a taxing machine in order to obtain revenue for the purpose of carrying out capital works.

It is interesting to note that the then Premier (Sir David Brand) interjected and said—

If there were a change of Government, would you cut out this profit-making?

Mr. J. T. Tonkin replied—

I would cut it down substantially.

I repeat that he said—

I would cut it down substantially.

Mr. Jamieson: He did not take the action your Government took.

Mr. HUTCHINSON: We see now that the result of his action is that the people have been fooled. These are public statements I have read, and they led the people to believe one thing and to vote one way; but the people were fooled because the Government has done exactly the opposite. It has not just gone along with the same charges for electricity to make a healthy profit in the normal way. It has raised electricity charges in the terms indicated in my motion.

As I said, how cynical can you get! What a blatant disregard for the people themselves!

Only recently I returned from an overseas trip, and very quickly became aware of the rapidly-mounting public alarm regarding the Government's taxing and fiscal measures. Now the savage increase in electricity charges follows those heavy imposts already mentioned—50 per cent. for hospital charges, 25 per cent. average for water rates—

The SPEAKER: I would not drift too far.

Mr. HUTCHINSON: I do not want to offend you, Sir, but these high charges, together with the Budget increases which had already been made, represent a final blow for the people who cannot properly bear them.

The SPEAKER: The member was floating away.

Mr. HUTCHINSON: It is the responsibility of the Opposition to try to inform the people of how they have been fooled on the two particular points I mentioned at the outset. It is completely necessary to list those other items I mentioned—hospital increases, water rate increases, stamp tax increases, and the like. The reason they should be mentioned is that without those first charges being made it is conceivable the Government might have been able to explain the necessity for some increases. I say "might," because when the Premier was Leader of the Opposition he explained time and time again that the then Government was operating wrongly by allowing the commission to make a profit and use the excess money on capital works.

How he hotly opposed that action and yet, within the space of a few weeks, he has adopted that policy. That must be combined with the fact that he said prior to the election that no increased charges would be made or extra taxation imposed in order to finance his promises. In actual fact, I suppose this is just another broken promise which can be laughed at and shrugged off in the hope that it will be forgotten in 2½ years' time. I am sure the people will not forget this host of charges and that the Government has miscalculated if it thinks they will. This Government has proved to be a tax-mad, money-hungry Government.

Mr. T. D. Evans: Capital hungry.

Mr. HUTCHINSON: The 21 per cent. increase which was imposed on metropolitan householders is a disastrous increase for people who already have to bear a heavy burden of taxation. The 20 per cent. increase in fixed charges for metropolitan and country householders will not have the same financial impact on people; but, nevertheless, it is another impost on people who are already overburdened.

To complete the picture across the board, the increases imposed on industry and commerce, besides having a direct impact on industry and commerce will be also an indirect taxation on the people because without doubt many industries and sectors of commerce will be forced to pass on these increased costs.

I understand that the Western Australian Chamber of Manufactures has issued a Press release in which, among other things, it expresses great concern at the extent of the impact of these increased power costs on manufacturing industries. The acting president of the chamber assessed that the local manufacturing industry will have to meet additional costs of approximately 18 to 20 per cent. based on 1970-71 charges. It was the chamber's estimate that the additional sum of money involved to be charged to industry would approximate \$3,000,000 per annum. The report goes on to state—

With this staggering increase it is obvious that manufacturers face an immediate and substantial escalation of their costs of production, much of which will have to be passed on to the consumer, thus adding to the inflationary trends which already exist.

I wish to make another point. It should not be thought by anybody that the amount of money the State is to receive this year is a small one. Not for one moment must this be thought. As I understand it the State will receive \$57,000,000 additional to the revenue received during the previous financial year. I ask members to contemplate the sum of an additional \$57,000,000 on top of the revenue received last year.

Mr. A. R. Tonkin: What is that in real terms per head of population?

Mr. Court: It is the highest single increase in the history of this State.

Mr. A. R. Tonkin: What is it in real terms?

Mr. HUTCHINSON: Much of this sum, although not the whole amount, will be raised within the boundaries of Western Australia. Do members know how much will be raised within the State? The answer is \$51,000,000.

Mr. Hartrey: Who is giving anything for nothing?

Mr. HUTCHINSON: Of this sum I would say approximately \$28,000,000 is additional direct taxation. This gives us reason to pause to consider whether sharp increases all along the line right throughout the State are necessary in an economy which cannot sustain them. The most important consequence of the savage increases will be an inflationary spiral which will be even more difficult to check. Apart from the fact that the Government has fooled the people—and fooled them cynically and blatantly indeed—the actions of this Government in the short time it has been in office will have a tremendous financial impact on the people and the economy of this State.

I shall refer to another aspect of electricity charges. Perhaps not a great deal of money is involved individually, but the matter is causing considerable public interest; I simply refer to the electricity bills which people must pay. Today, in another place, The Hon. Clive Griffiths asked a series of questions of the Leader of the House. Amongst others, this is the critical question he asked—

How is it anticipated that the new rate will be applied from the 1st November?

The answer is—

The new tariff will be charged on all meters read on and after the 1st November. This is the principle which was adopted when tariffs were reduced.

What does that mean? It means, for example that on any meter which is read on the 1st November, an individual will not be charged at rates which exist at the present time, but charged at the increased rate retrospectively for the previous quarter. The people will have to meet a retrospective payment. May I ask the Minister for Electricity whether that is correct?

Mr. Jamieson: Yes. I suggest the honourable member should read the answer further and he will find whether it is correct or not.

Mr. HUTCHINSON: I am asking whether my summation is correct; whether people will have to pay the new rate retrospectively.

Mr. Jamieson: If the honourable member reads the rest he will be aware that is the situation. Nothing is lost. When rates are reduced the same thing happens.

Mr. Court: When there is a change of Government.

Mr. Jamieson: This has applied in the past and it is clear in the reply. If the member for Cottesloe had not tried to fool the House he would have given the whole answer.

Mr. HUTCHINSON: I have given it.

Mr. Jamieson: No you have not.

Mr. HUTCHINSON: We have established the principle by the answer given to the question asked by The Hon. Clive Griffiths. All I wanted to do was extract the answer from the Minister and this has been given reluctantly.

Mr. Jamieson: There was no reluctance about it at all. The answer to that question was freely given and the member for Cottesloe knows that.

Mr. May: How was it that the member for Cottesloe did not ask the question? Didn't he think about it?

Mr. HUTCHINSON: We discussed the question.

Mr. May: You got it asked in another House.

Mr. Bickerton: Is the member for Cottesloe in order in discussing during the current session of Parliament a matter which has been dealt with in another place?

Mr. HUTCHINSON: The Minister for Electricity said I did not give the full answer. He is not telling the truth. I will read the answer again. It says—

The new tariff will be charged on all meters read on and after the 1st November. This is the principle which was adopted when tariffs were reduced.

Mr. May: It is strange a question like this was asked in another place.

Mr. HUTCHINSON: The Minister for Electricity said I did not read it out. However, it does not matter to me whether that was the principle that applied when tariffs were reduced.

Mr. Jamieson: Of course it does not.

Mr. HUTCHINSON: It does not matter one scrap.

Mr. Jamieson: It does not suit your argument.

Mr. HUTCHINSON: Obviously it means something different to the Minister for Electricity and all his colleagues who are ranged on that side, but it means a great deal to the Opposition.

Mr. May: It doesn't make much difference to the former Minister for Electricity.

Mr. HUTCHINSON: A retrospective payment will be expected of the people, but the Government said the new rates would apply from the 1st November. Is that fair? I say it is not fair at all.

Mr. Jamieson: How would you apply it? Would it be three months hence from the 1st November?

Mr. HUTCHINSON: I will tell the Minister. We would have had an equation made.

Mr. Jamieson: An equation!

Mr. HUTCHINSON: What is wrong with that? It has been done before in Government circles. It is certainly the method a responsible Government would have adopted.

Mr. Jamieson: You are reflecting on the commission, not on the Government.

Mr. HUTCHINSON: It is obvious the Government has not given sufficient care and attention to the problem. I guarantee if it has the opportunity it will do so next time.

Mr. Jamieson: No sirree!

Mr. HUTCHINSON: The Government is just too money-hungry and wants this money straightaway without considering the people.

Mr. Rushton: It is a laughing matter for the Government.

Mr. Court: Which Minister for Electricity are we speaking to?

Mr. May: The member for Cottesloe should have waited until he had been back for a couple of weeks.

Mr. Jamieson: Until his feet were on the ground.

Mr. HUTCHINSON: I say this Government stands condemned for the action it has taken in fooling the people on this and all other counts.

Mr. Bickerton: You fooled them for 12 years.

Mr. HUTCHINSON: I can tell this is getting home to the Government because of the attitude it is taking to the debate.

MR. JAMIESON (Belmont—Minister for Electricity) [9.40 p.m.]: I run the risk of defending the electricity portfolio for the last time but nevertheless I intend to defend it. I do so because I believe that the member for Cottesloe has cast a reflection not on the Government of this State but on the loyal people who work for the State Electricity Commission.

Mr. Hutchinson: What a lot of nonsense.

Mr. Rushton: It is the Government's responsibility.

Mr. JAMIESON: Wait one moment! Who are biting now? The line has been cast and it is obvious there are many fish about.

Mr. Brown: Sharks.

Mr. JAMIESON: Yes, sharks, and with big mouths. I, too, shall ask a question because the member for Cottesloe should know the answer. How much did his Government make available to the State Electricity Commission last year in General Loan Funds?

Mr. Hutchinson: That has nothing to do with it.

Mr. JAMIESON: That has everything to do with it. How much was it? The honourable member claims to know all about this, and he should have some idea of the answer. How much was made available?

Mr. Hutchinson: This has nothing to do with it.

Mr. JAMIESON: The honourable member does not have a clue. Not one cent was made available in General Loan Funds.

Mr. Brady: Shame!

Mr. JAMIESON: In consequence its financial position—

Sir David Brand: What odds?

Mr. JAMIESON: —has deteriorated in that all the capital it has accumulated—through excess profits or whatever; the Premier can fight his own battles on this if he wishes—was not growing as it should have grown had the previous Government played along with the commission.

Mr. Hutchinson: The Minister knew this before the election.

Mr. JAMIESON: No, before the elections we did not know the capital commitments.

Mr. Hutchinson: What about the estimates?

Mr. JAMIESON: Never mind about the estimates. We did not know the capital commitments of the State Electricity Commission at the time, but we certainly know now what the commission is up for. The commission must have money to function and provide a service for the people in the future.

Despite the cryings of the honourable member, we are not badly off. I do not know whether he has checked it out when he talks of the considerable rates that are to be imposed. We must bear in mind that the take-home wage in the State is, on average, fairly high. By comparison with the charges in the Eastern States we are not badly off.

The member for Cottesloe ventured a little into water rates, but I know you would not permit me, Mr. Deputy Speaker, to touch on this subject, although I know we are better off under the present circumstances than people in other States.

Mr. Rushton: They must be following a good Government.

Mr. JAMIESON: We are still better off. I have some of the comparative rates charged in each State. These rates have not been fairly or clearly stated and should be available to members of this House. The figures refer to a small consumer who would use 50 units a month for lighting. Pensioners would probably come into this category. Allowing the all-in cost together with the basic rate and the amount of \$1.20 a quarter which represents 40c a month, the actual cost per unit would be 3.1c. Let us look at the figures for the same group in other States—

State	Cost per unit
South Australia	3.5c
Victoria	4.15c
New South Wales—Metropolitan Area	3.62c
Country	4.46c
Queensland — Metropolitan Area	3.83c
Country	5.54c

That is the smallest consumer and the one liable to be hit the worst, because there are many of them in the community. The situation which will apply under the State Electricity Commission's new amended rates is better than the situation which applies in any other State. It is true the situation changes slightly when we come to some of the larger consumers. I shall use the highest figure—500 units a month—as my illustration. Under all-in costs per unit in this State the cost would be 2.38c a unit. Now let us look at the other States—

State	Cost per unit
South Australia	1.76c
Victoria	2.29c
New South Wales—Metropolitan Area	2.22c
Country	2.15c
Queensland — Metropolitan Area	2.00c
Country	2.94c

So again on the average it is a very comparable figure with any of the other States. It must be borne in mind that Queensland has on-site coal, which goes to the production of electricity without having to use oil or other fuel. On-site supplies of fuel would be relatively cheaper.

I think that gives an example of the charges in respect of the domestic consumers. I would like to give a few examples of the charges applicable to commercial consumers in various States. This is based on monthly consumptions and we will start off with a lower one in the commercial range. This would be applicable to small offices such as we find in the metropolitan area of Perth and in

the country. The figures for Western Australia and the other States are as follows:—

State	Cost per unit
Western Australia	4.6c
South Australia	5.24c
Victoria	6.43c
New South Wales—Metropolitan area	4.15c
Country	4.35c
Queensland—Metropolitan area	6.32c
Country	7.25c

Mr. W. A. Manning: What consumption is that based on?

Mr. JAMIESON: This is based on 100 units a month. What I am referring to here would be small offices using such things as lighting and perhaps an electric typewriter.

When we go to the high bracket—that is, 20,000 units a month—we find the figures are as follows:—

State	Cost per unit
Western Australia—Metropolitan area	2.89c
Country	2.61c
South Australia	2.58c
Victoria	2.89c
New South Wales—Metropolitan area	3.02c
Country	2.88c
Queensland—Metropolitan area	3.49c
Country	3.54c

It will be seen that the Victorian rate is the same as our metropolitan rate. Our charges are very comparable, even after the rises.

Let us look at the industrial consumers, because much stress has been laid on the figures applicable to industry. Of course, industry is always concerned with the built-in cost of the price of electricity. The Government is also concerned but it has to face this problem when it has a recommendation from the State Electricity Commission in respect of these matters. A very small industrial call would be 300 units a month, and these are the applicable figures—

State	Cost per unit
Western Australia—Metropolitan area	3.41c
Country	3.67c
South Australia	3.86c
Victoria	4.69c
New South Wales—Metropolitan area	3.79c
Country	3.90c
Queensland—Metropolitan area	4.23c
Country	5.59c

At the top end of the industrial scale, we have the consumer who uses 10,000,000 units a month. There probably will not



be many of these but this gives an example of what top-line industry will be paying. These figures are as follows:—

State	Cost per unit
Western Australia—	
Metropolitan area	1.099c
Country	1.099c
South Australia	1.15c
Victoria	1.17c
New South Wales—	
Metropolitan area	1.42c
Country	1.56c
Queensland—	
Metropolitan area	1.25c
Country	1.11c

It will be seen if there was an attraction in the charges for electricity, Western Australia would win hands down—even with the increase in price.

Mr. Court: But they have some special rates for big industry.

Mr. JAMIESON: I know they have contracted rates and these may work out cheaper where a very high consumption is involved. These are not applicable in all States as the honourable member would know. To my knowledge they apply in only two States.

Looking at these rates it seems to me that the proposals made by the State Electricity Commission are reasonable. The people on this commission are not fools; they are there to represent the community.

Members are well aware that Mr. John Parker is the chairman of the commission. For many years Mr. Parker was the senior engineer with the Public Works Department and director of engineering before he joined the State Electricity Commission. Mr. Donald Munro is the deputy chairman and he is the director of engineering of the Public Works Department at the present time. Stephen Knight, the country consumers' representative, Bruce MacKinlay, the commercial consumers' representative, Eric Stephens, another country consumers' representative, and John Reed, the employees' representative—

Mr. Hutchinson: Are you trying to dissociate yourself and the Government from the action which was taken?

Mr. JAMIESON: I am not trying to dissociate myself or the Government. I am making a point. I would ask the honourable member to pay attention to the members of the commission. Another member is Kenneth Birks, deputy for the Under Treasurer, and the last one is Roy Liddell, metropolitan consumers' representative. These men sat as a commission and brought down a recommendation to the Government. The minutes were supplied to me quite readily, there was no objection to my seeing them. The Government was very loath to go along with the proposition because it does not like

increasing charges any more than other Governments do. However, faced with the expenditure in the future and the information supplied by the commission, the Government realised this step was necessary. This is an estimate of future capital expenditure up to 1975-76—

1971-72	\$38,400,000
1972-73	\$33,750,000
1973-74	\$44,400,000
1974-75	\$45,600,000
1975-76	\$49,500,000

If the allocation of funds from semi-governmental loans remains at the present levels, it is assessed that revenue from current tariffs and from other sources of internal funds would leave a shortfall in each financial year as follows:—

1971-72	\$9,900,000
1972-73	\$7,100,000
1973-74	\$16,700,000
1974-75	\$18,800,000
1975-76	\$19,500,000

With this explanation it appears to me to be reasonable that the commission did take action and recommend to the Government that it agrees to the proposals put forward.

I see no method of overcoming this proposition other than to find further money from Federal spheres. The editorials, even in *The West Australian*, have been very sympathetic towards us on this issue. The editors obviously realise that a shortfall in funds for capital expenditure from loan sources must be recompensed from elsewhere. Whilst it is unfortunate that present-day consumers must finance future operations, as it were, there is no other method available at the present time. We have exhausted the possibility of other funds and, therefore, it seems to me to be a bit ludicrous that the House should condemn the Government for taking action to supply people who want to come on load as soon as possible.

Mr. Hutchinson: Didn't you have regard in Cabinet for what the Premier said when he was Leader of the Opposition?

Mr. JAMIESON: We had regard for what the Premier said when he was Leader of the Opposition and, as always, he made his statements to Cabinet Ministers around the Cabinet table just as would have been done when the member for Cottesloe was a member of the Cabinet. He knows very well the procedure which takes place and that ultimately Cabinet arrives at a unanimous result.

For the information of the House, the commission finds that it has to provide an increase in output of 13 per cent. compounding per annum. I think the sales of electricity have increased from 1,120,000,000 units in 1966 to 2,080,000,000

units in 1971, which to my mind is a most remarkable increase having due regard for the fact that the system has to keep up with the growing pains of a community which has developed as much as ours has in the past few years.

The money which is essential to provide for long-term basis contracts which must be entered into for equipment must be available now or when the payments are due. We cannot order equipment without showing the companies concerned some sort of finance. The companies are not able to carry our contracts forward. We have to order some five years ahead and they expect payments during that period and, as a consequence, the money must be found now and not in the future.

We have a requirement to expend—as all Governments have—additional moneys for hospitals, schools, and other public utilities and as a result, despite the fact that the Treasury was prevailed upon to make a considerable allocation from loan funds, it was able to make an allocation of only \$3,200,000 on this occasion. As members know, that left a considerable shortfall and the S.E.C. was left with no alternative but to recommend to the Government that action be taken to increase certain fees and rates.

The reference made to the increase in the fixed charge seems to me to be a little overstated because the fixed charge of \$1 per consumer per quarter was imposed a number of years ago and the increase of 20c per quarter does not seem to be out of place in this day and age. Possibly the increase seems greater when stated as a percentage as put forward by the member for Cottesloe, but to my mind it is a reasonable increase.

We have to face the problem of ever-increasing demands for increased wages. I do not deny the right of the individual to receive reasonable wages. I think this a time of enlightenment in which the amount each individual is able to obtain for his own use should be the maximum and not the minimum amount the community can find. The employee should no longer be expected to expend his energies for the benefit of someone who is receiving a greater share of the cake than he is. So I do not belittle people who receive justifiable wage increases, and this has been no small percentage of the financial problem of the S.E.C.

I do not believe the people have been fooled in this regard. I feel the situation has grown to the point where some other form of capitalising such needs as public undertakings—be they electricity supplies, water supplies, or anything else—must be determined. But we are unable to alter the standard financial arrangements which have existed for many years now between the Commonwealth and the State. Until

this is done we must continue to rely on our own people to finance many of their projects.

I say again that despite the steep increases which have been applied we still compare favourably with our eastern cousins and on that point alone we should be thankful that we are lucky enough to be served by an electricity commission which has done its darndest in its efforts not to raise finance through its consumers. Indeed, one of the charters of the commission is to supply electricity at the cheapest possible rate. The commission is continuing to do this. Every week a new country town is taken into the grid system and the price of electricity per unit to these new consumers is appreciably below that which they formerly paid where small plants were operating in towns such as Coorow, Three Springs, Carnamah, and what-have-you. There will be a further advantage to people in areas as far north as Geraldton when they are connected to the S.E.C. mains, possibly within the next six months. The commission is co-operating in this matter in the interests of decentralisation and in an effort to further extend the grid system so that electricity may be provided to country towns at a reasonable cost.

Mr. Hutchinson: Before you conclude, will you reconsider what is now a retrospective application of the increase with a view to fixing the 1st November as the changeover day, and using an averaging system?

Mr. JAMIESON: No, I would not be inclined to do that. If that were done it would be a departure from the normal policy of the S.E.C. It has determined the date on which the increase will occur. Some people will be lucky and some will not; but that is exactly the same situation as occurs when we fix a new vehicle registration fee to commence at a certain date. The person whose registration has a year to run has an advantage whereas the person who has to pay the next day is at a disadvantage. I see no real method of overcoming the problem.

Mr. Hutchinson: It is most unfair.

Mr. JAMIESON: It is not unfair. It is a situation which will occur and there is no way of overcoming it. As the honourable member is probably well aware, we have had before us recently another finance measure which included retrospective provision to operate from the beginning of the month before we had passed it. At least on this occasion the people have been given a month's notice that it is intended to introduce new charges.

Mr. Rushton: They have been paying the new charge for two months now.

Mr. JAMIESON: What I am saying in effect is that the consumers have been given a month's notice that the new charges will be included in each quarterly account from a month hence.

Possibly notice would have been given much earlier had it not been for the fact that there had been certain industrial disputes and the commission was faced with the problem at that stage of not knowing what its commitments would be for the forthcoming year, and until it was given the opportunity to resolve these problems it would have been unwise to have made a move or an announcement.

Mr. Hutchinson: The news reports stated that the electricity charges will be increased throughout the State Electricity Commission's system as from the 1st November.

Mr. JAMIESON: That is right.

Mr. Hutchinson: It is not. The increased charges will be made two months prior to that date.

Mr. JAMIESON: The honourable member can blame the Press for that. I did not give them that statement. If the newspaper published the report in that way stating that the increased charges will start from that date, that is its responsibility. We have not endeavoured to make any alteration in the date that was set by the S.E.C. Previously, some consumers of electricity enjoyed some advantage when the electricity charges were reduced; that is, those people who had to wait nearly three months to receive their accounts after the announcement of the reduction in charges. Now the situation is reversed by the charges being increased and it is unfortunate that very little can be done about it.

The State Electricity Commission must set some date on which the electricity charges will be increased. The date it has set is the 1st November and, as a consequence, every consumer will be obliged to have his power charges assessed on the new rates thereafter when he receives his accounts. I oppose the motion.

MR. McPHARLIN (Mt. Marshall) [10.07 p.m.]: I support the motion. I want to make it clear at the outset that when the Premier's policy speech was published the impression that was clearly conveyed to the people at the time—particularly to those in country areas—was that the charges for electricity would be reduced. Risking your accusation of repetition, Mr. Speaker, because what I am about to quote has been said before, I would like to read this section of the Premier's policy speech to the House, in which he said—

From its inception in 1945 up to 1966, a period of 21 years, the Commission made an accumulated profit on its metropolitan system of \$11-million, an average of a little more than \$½-million a year. Since then it has had an average yearly profit of \$4½-million with a profit of \$6,279,945 last year.

It is clear that uniform charges for electricity can be adopted throughout the Commission's supply system without having to raise charges in the metropolitan area and we propose to have uniform charges adopted.

All the people in my electorate to whom I have spoken in regard to this matter are dismayed at the proposal to raise electricity charges in the metropolitan area, because this is a contradiction of what was outlined in the Premier's policy speech. It is a contradiction of what the people were led to believe would happen.

For this reason I support the motion that has been put forward this evening by the member for Cottesloe. It is incredible to think that during the short time the Government has been in office there should be a complete contradiction made of the promise outlined by the Premier in his policy speech. It has been said that it is not intended to increase electricity charges in the country. I understand that a slight increase will be made in electricity charges to some industries in country areas. The fact remains, however, that if the charges are increased in the metropolitan area and they have to be paid by industry, naturally those increases will be passed on by way of increased costs of the product that is manufactured. Therefore, in fact, the recipients of those products at the end of the line will be paying to industry the increases it will have to pay for electricity charges.

When the Minister for Electricity was speaking to the motion, I was a little alarmed when he questioned the mover in respect of water rates. For a moment this caused me to think seriously as to what the Government intends to do with water rates in the future. In view of the action that has been taken by the Government to increase electricity charges, does this mean that we are to be faced with an increase in water rates in the future?

Mr. Jamieson: In the country?

Mr. McPHARLIN: Yes.

Mr. Jamieson: No, certainly not, despite the fact that we are going down \$11,000,000 each year looking after you.

Mr. McPHARLIN: That is an admission, I take it, that there will be no increase in water rates in the future.

Mr. Jamieson: I said this year. You know the rates for the country water supply scheme come under a yearly assessment.

Mr. McPHARLIN: I know. I am familiar with the figures relating to the loss that is shown on the country water supplies scheme.

Mr. Jamieson: You want subsidies on everything!

The SPEAKER: Order!

**Mr. McPHARLIN:** How much reliance can we place on the assurance the Minister has just given us when the assurance was given in the Premier's policy speech that S.E.C. charges would not be increased?

**Mr. Jamieson:** The charges for the country water supplies have already been adopted for this year so they cannot be increased.

**The SPEAKER:** We are not dealing with water charges now.

**Mr. McPHARLIN:** I was just expressing concern, Mr. Speaker, about the possibility of water rates being increased in the future. I wish to support the motion because of the alarm that has been expressed to me by my constituents in various districts in view of the situation in which primary industry finds itself as a result of increased charges. They are most unacceptable at the moment, because they create more problems for those engaged in primary industry. It is for this reason that I have put forward these few points, and I support the motion.

**MR. RUSHTON (Dale) [10.13 p.m.]:** I support the motion moved by the member for Cottesloe. In so doing it is obvious he has a sound case. In fact, in the way it has been presented it means a great deal to the people of this State. Following water charges, electricity charges, in my view, would be the next most important item in our economy.

The Minister has made light of the effect of the increase in electricity charges upon the family unit. I consider it will be the family that will suffer most as a result of the situation with which they will be faced in the future because of these increased charges, despite the fact that indications were given by the Government at election time that no increases would be made. It is very simple for members in this House to work out what it will cost their family units to meet the increases in electricity charges, and they will be affected in a similar way to other family units throughout the community. On an existing bill of \$20, the increase will amount to about \$4. On the 1st November many people will receive an electricity account of something like \$40, so, to them, it will mean that the increase they will have to pay will be about \$8. Therefore, they are already liable for the payment of something like \$6 of that extra cost which will be shown on their account that they will receive on the 1st November.

**Mr. May:** What was that again?

**Mr. RUSHTON:** The Minister for Electricity has said that the increased charges will commence as from the 1st November and these increases will be reflected in the accounts that will cover the power consumed for the previous 12 weeks. This means that those people who receive an account for about \$40 will already be liable for an extra charge of approximately \$8.

**Mr. May:** I do not know.

**Mr. RUSHTON:** It is unfortunate that the Minister does not know because he is a member of Cabinet and he should know. I repeat that it will be the family unit that will suffer most under this tax.

Another dire consequence, and one which the Brand Government certainly took account of, is the effect on the employment situation when the cost of power no longer proves to be attractive to the people who are the generators of employment.

The Minister has said that Western Australia is in a favourable position, compared with the other States, but this only emphasises the good government of the previous Administration. This shows what emphasis the Brand Government placed on the provision of power. It made every endeavour to hold the cost of power at an attractive level to retain industry and reduce the cost structure.

Some people seem to have adopted the habit of blaming everybody else but themselves for these things. The member for Cottesloe has referred to the increase of \$57,000,000 in the State Budget, and from it we can see what are the priorities of the present Government. We will have the opportunity to deal with that aspect in the Budget debate.

The present Government has inherited a very balanced, and an effective income generating economy from the Brand Government. In that event it should not be playing around with the cost of electricity supplies. A great deal of ballyhoo has been uttered about the unfortunate situation in which the Government now finds itself.

The reasons why the people of the State are being called upon to pay this extra impost are quite clear. I will not elaborate on them, except to point out that the fulfilment of the Government's promises made at the last election will cost at a conservative estimate \$22,000,000. On a previous occasion I listed the items of the cost, and one item involved \$500,000 for the equalisation of power charges.

**Mr. Jamieson:** What about the promise of your Government to subsidise all country power?

**Mr. RUSHTON:** This is a strange method for the Government to keep its promises. I would ask the Minister to tell us whether his Government considers it has now carried out its promises regarding electricity made before the last election.

**The SPEAKER:** The honourable member will address the Chair.

**Mr. RUSHTON:** There is no retort or answer from the Minister. Unfortunately for the people of this State the Government considers it has carried out its election promises in respect of electricity charges. A previous speaker has referred

to the promise made by the Government, the concluding part of which is as follows:—

It is clear that uniform charges for electricity can be adopted throughout the commission supply system without having to raise charges in the metropolitan area, and we propose to have uniform electricity charges adopted.

I refer specifically to the reference "without having to raise charges in the metropolitan area." The Government has not assumed office for more than eight months before it is increasing the electricity charges. This must be of great concern to the people of the State. Once again the people have to face up to an increase in charges. What hope is there for the economy of the State?

It would appear that in an attempt to retrieve its honour, the Government is preparing to implement some of its promises by taxing in an extreme manner. In trying to do this the Government has created another fiasco by cutting out overtime of the S.E.C. workers. It claims that it is doing this to halt inflation.

Mr. T. D. Evans: This was done at the specific request of the former Prime Minister, but your leader did not take notice of this.

Mr. RUSHTON: The situation is farcical. The present Government took this action from the 20th February to the 30th June, but on the 1st July it injected the saving back into the system.

Mr. T. D. Evans: It has not been injected back into the economy.

Mr. RUSHTON: It has. The overtime was cut back deliberately so that it would appear to be a saving by this Government. It was also done to prepare for the future with a view to keeping the other promises that have been made, and for the next election.

This impost is a deliberate one, and the people of the State should judge it in that way. The Government has acted discredibly, and this reflects very poorly on it.

The Minister has said that the State Electricity Commission could not come out earlier with the announcement of the impost, because of the industrial problems. I have pointed out why these industrial problems have arisen; it was because this Government imposed conditions on the S.E.C. workers which they were not prepared to accept. I have no objection to their being granted their fair due.

Mr. Jamieson: If you had your way you would take a whip and drive them to their jobs.

The SPEAKER: Order! If the honourable member will keep to the motion he will be on the right lines.

Mr. RUSHTON: I am dealing with the motion which relates to the increase in power costs. This is the last straw in the conduct of the Government. We are all aware of the antics of the Premier at a football field when he addressed a gathering of S.E.C. workers. Unfortunately he did not do his homework, and because of that the Industrial Commission is now placed in the position where it apparently has to reconsider its deliberations. The commission has to offer the men more in order to avoid further industrial unrest.

Who would have thought that the people of the State would face such a sad state of affairs so soon after the Government assumed office? The position was obvious to members on this side. The way the Government is going, the State can only go down and not up; and if not arrested the position will reach the 1959 level when the economy was shattered.

I come back to the point I made at the beginning of my contribution: Let the people of the State judge the Government on the action it has taken against its announcements at the last election that increased charges will not be imposed.

MR. HUTCHINSON (Cottesloe) [10.25 p.m.]: I will not take too long to reply, you will be pleased to know, Mr. Speaker.

I just want to say that the Minister made no real reply to the points I raised. It was, of course, difficult for him to answer the charges I made—

Mr. Jamieson: It was difficult to understand them.

Mr. Hutchinson: —because they were proved by actions already taken. He gave us a fairly long recital of figures and comparative figures of the other States and said blandly that our situation is as good, if not better than, that in other places. As I said when I interjected while he was speaking, that is not the point at all. The vital point involved in my motion is that the people have been fooled twice.

Mr. Bickerton: How do you know the Minister will not support the motion?

Mr. HUTCHINSON: The people were fooled first when the Premier, then the Leader of the Opposition, said that the principle of using for capital works revenue from the State Electricity Commission was wrong; and, secondly, when he deliberately ignored pre-election promises that he would not increase taxation and charges, and did so. That is the import of what I had to say.

I just want to mention one last matter, and it relates to my request to the Minister to try to salvage something from the wreck by using an averaging system in order to keep his promise that the increases would commence from the 1st November.

Mr. Jamieson: You be careful and make sure whether or not I said that. If you are quoting from the Press again, you had better be sure of the facts.

Mr. HUTCHINSON: The paper reported—

Electricity charges will rise throughout the Electricity Commission's grid system on November 1.

Did the Minister say that?

Mr. Jamieson: That is a Press comment.

Mr. HUTCHINSON: In another place, Mr. Clive Griffiths asked a question today.

The SPEAKER: Is the honourable member replying to the debate?

Mr. HUTCHINSON: Yes. This has direct application to the subject we are discussing.

The SPEAKER: We are not dealing with questions.

Mr. Bickerton: You got away with murder a while ago.

Mr. HUTCHINSON: I will tell members what transpired.

The SPEAKER: Give a broad outline.

Mr. HUTCHINSON: Yes. The first question asked by Mr. Clive Griffiths related to whether the Minister for Electricity was correctly reported in *The West Australian* on Tuesday, the 5th October, relating to higher State electricity charges. That is virtually the question expressed in my own words. However, I cannot alter the answer because it consists of only one word which is, "Yes."

Mr. Jamieson: Yes. The electricity charges are to be higher. There is nothing wrong with that. I was correctly reported on that.

Mr. HUTCHINSON: But all the time the Minister intended that the people should make retrospective payments of increases, not only from the 1st November.

Mr. Jamieson: All the time I expected the normal procedure of the commission to be followed.

Mr. HUTCHINSON: Finally I say that this is most unfair. Under one of the portfolios handled by the Minister, dealing with Metropolitan Water Board affairs, an averaging system is adopted when a water meter breaks down and an obvious mistake is made. The Metropolitan Water Board averages out the account because it believes it is unfair that people should be charged wrongly.

Why cannot the Government salvage something from this situation and reconsider it in the interests of the people instead of fooling them again? The averaging system could work. The people believe that the rise in prices will operate from the 1st November when in fact it will have retrospective application. Why does he not

take some action to avoid this in the interests of the people his Government purports to represent?

I hope the Government will reconsider this matter in its quieter moments. I say again that the Government stands condemned on the increased electricity charges, and I ask the House to agree with me by passing this motion.

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

#### Ayes—21

Mr. Blaikie	Mr. O'Neill
Sir David Brand	Mr. Reid
Mr. Court	Mr. Runciman
Mr. Coyne	Mr. Rushton
Dr. Dadour	Mr. Stephens
Mr. Gayfer	Mr. Thompson
Mr. Grayden	Mr. Williams
Mr. Hutchinson	Mr. R. L. Young
Mr. W. A. Manning	Mr. W. G. Young
Mr. McPharlin	Mr. I. W. Manning
Mr. Mensaros	

(Teller)

#### Noes—21

Mr. Bateman	Mr. Lapham
Mr. Bickerton	Mr. May
Mr. Brady	Mr. McIver
Mr. Brown	Mr. Moller
Mr. Cook	Mr. Norton
Mr. H. D. Evans	Mr. Sewell
Mr. T. D. Evans	Mr. Taylor
Mr. Fletcher	Mr. A. E. Tonkin
Mr. Hartrey	Mr. J. B. Tonkin
Mr. Jamieson	Mr. Harman
Mr. Jones	

(Teller)

#### Pairs.

Ayes	Noes
Mr. Ridge	Mr. Graham
Mr. O'Connor	Mr. Burke
Mr. Lewis	Mr. Davies
Mr. Nalder	Mr. Bertram

The SPEAKER: The voting being equal, I give my vote to the Noes.

Question thus negatived.

Motion defeated.

House adjourned at 10.35 p.m.

## Legislative Council

Thursday, the 7th October, 1971

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

### QUESTIONS (7): ON NOTICE

1.

#### EDUCATION

##### Wagin Junior High School

The Hon. S. T. J. THOMPSON, to the Leader of the House:

- (1) Has the Education Department any plans for improving facilities at the Wagin Junior High School?
- (2) If so, when is work likely to commence on any proposed extensions?