

Road. I have never been satisfied that provision will be made for the roads and footpaths connected with this particular development.

Apart from this I do not know whose responsibility these roads will be; whether they will be the responsibility of the Bond Corporation or of the Shire of Perth; nor have I been told the standard to which the particular roads will be developed.

I have asked the Minister for Town Planning whether I could have answers to the 18 questions I have asked before a decision is made, because such answers will provide me, as the member for the area, with an opportunity to look at the reasons advanced by the Minister for approving the scheme. The Minister may, of course, reject the proposal, but if he approves it I ask that I be given the courtesy of answers to the questions I have asked before a decision is finally made.

Debate adjourned, on motion by Mr. Ridge.

House adjourned at 10.22 p.m.

Legislative Council

Wednesday, the 26th August, 1970

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

SUPPLY BILL

Assent

Message from the Governor received and read notifying assent to the Bill.

QUESTIONS (13): ON NOTICE

1. YOUTH COUNCIL

Distribution of Financial Assistance

The Hon. CLIVE GRIFFITHS, to the Minister for Mines:

- (1) Since the 30th June, 1970, has the Youth Council of W.A. distributed any money to youth groups or organisations?
- (2) If so—
 - (a) how much; and
 - (b) to which organisations were grants made?
- (3) What amount of money for distribution has the Council still in hand from allocations made to it prior to the 30th June, 1970?

The Hon. A. F. GRIFFITH replied:

- (1) Yes.
- (2) (a) \$350.
(b) Boy Scouts Association.
- (3) \$6,820 is still in hand but this is already allocated for distribution in the near future.

2.

HEALTH

Inspection of Native Reserves

The Hon. E. C. HOUSE, to the Minister for Health:

- (1) What are the powers of a Shire Council Health Inspector in respect to native reserves within a shire?
- (2) Has the health inspector free access to the reserves and houses thereon?
- (3) If so, is he permitted to declare a house or houses unfit for human occupation unless certain improvements are carried out?
- (4) Is he permitted to declare a reserve area unhygienic and a health hazard?

The Hon. A. F. GRIFFITH (on behalf of the Hon. G. C. MacKinnon) replied:

- (1) Native reserves are Crown property and therefore not subject to local authority jurisdiction.
- (2) Yes.
- (3) and (4) No; but he may so report to the authorities concerned, i.e. the Shire Council, the Department of Native Welfare, and the Commissioner for Health.

3.

RAINFALL

Records

The Hon. R. H. C. STUBBS, to the Minister for Mines:

- (1) Does a Government department keep records of the rainfall cycle of the State?
- (2) If so—
 - (a) during the period in which records have been kept, which years, for agricultural purposes, would be considered—
 - (i) good;
 - (ii) average;
 - (iii) bad; and
 - (iv) drought;
 - (b) would there be any specific areas under the above headings in each year?

The Hon. A. F. GRIFFITH replied:

- (1) and (2) Government Departments rely on the comprehensive records collected by the Commonwealth Bureau of Meteorology. Assessment of the suitability of a particular year for agricultural production is a complex matter. It will depend on the district, the type of production being undertaken and other variables.

Recent studies of the incidence of drought have been published in the March and July issues of the Journal of the Department of Agriculture.

5.

IMMIGRATION

State Statistics

The Hon. R. F. CLAUGHTON, to the Minister for Mines:

What was the net migration into Western Australia for the years ended the 30th June, 1969, and the 30th June, 1970?

The Hon. A. F. GRIFFITH replied:

Bureau of Census and Statistics advise that the estimated net migration increase for the year ended the 30th June, 1969, is 24,273.

The figures for year ended the 30th June, 1970, are not yet available.

6.

NATIVES

Gnowangerup Kindergarten Finances

The Hon. E. C. HOUSE, to the Minister for Mines:

(1) Is the Native Welfare Department indebted to the Gnowangerup Kindergarten Committee for any contributions in respect of children attending the kindergarten from the native reserve?

(2) If so, what is the amount outstanding?

(3) From when do the arrears date?

The Hon. A. F. GRIFFITH replied:

(1) Yes.

(2) and (3) See schedule below—

4. EDUCATION

South Kalgoorlie State School

The Hon. J. J. GARRIGAN, to the Minister for Mines:

(1) Is it intended to erect new classrooms at the South Kalgoorlie State School during this financial year?

(2) If so—

(a) how many classrooms will be erected; and

(b) when is it anticipated that the buildings will—

(i) commence; and

(ii) be completed?

(3) Is the Education Department aware of the bad state of repair which exists in number 6 classroom at this school?

The Hon. A. F. GRIFFITH replied:

(1) Yes, subject to funds being available.

(2) (a) 3.

(b) (i) and (ii) No precise dates can be given.

(3) Yes.

Period of Claim	Amount	Prepared by Committee	Received Narrogin	Received Perth	Cheque Sent
	\$ c				
August, 1969	21.40	7/7/70	23/7/70	24/7/70	26/8/70
September-December, 1969	33.00	8/7/70	23/7/70	24/7/70	26/8/70
February-April, 1970	23.10	17/7/70	23/7/70	24/7/70	26/8/70
May, 1970	29.00	17/8/70	Despatched by Narrogin Office on the 24th August, 1970		
June-July, 1970	44.00	17/8/70			
	\$150.50				

7.

ROADS

Upgrading of Manning Road

The Hon. CLIVE GRIFFITHS, to the Minister for Mines:

(1) Has agreement been reached between the local authorities concerned and the Government, as to the design, works programme, and financial obligation of each, with regard to the upgrading of Manning Road?

(2) If so, would the Minister please give details?

The Hon. A. F. GRIFFITH replied:

(1) Yes.

(2) An overall financial arrangement based on a 50 : 50 contribution by

the local authorities and the Main Roads Department has been agreed upon.

The local authorities have lodged design plans with the Main Roads Department for consideration. These plans are currently with the local authorities for incorporating minor amendments suggested by the Department.

The work is to be carried out by the local authorities concerned and is being staged over three years commencing this financial year.

8. FARMERS' DEBTS ADJUSTMENT ACT

Financial Assistance

The Hon. R. H. C. STUBBS, to the Minister for Mines:

- (1) Has assistance been rendered to farmers and settlers in relation to the Farmers' Debts Adjustment Act?
- (2) If so—
 - (a) in what way;
 - (b) in which districts;
 - (c) to what number of farmers; and
 - (d) to what value
 was such assistance rendered?

The Hon. A. F. GRIFFITH replied:

- (1) and (2) Not in recent years.

9. DROUGHT RELIEF

Bank Finance

The Hon. E. C. HOUSE, to the Minister for Mines:

- (1) Through what banks, in the States of Australia, is drought finance arranged?
- (2) (a) Do all States insist on a first priority of mortgage before agreement on drought relief finance is reached; and
(b) if not, what States do not insist on this priority?
- (3) (a) What is the maximum loan available in each State under State drought relief; and
(b) what type of loans are available?

The Hon. A. F. GRIFFITH replied:

- (1) to (3) This information is not available at present but it will be obtained as soon as possible. I might add that I observe that this question relates to some of the private banks of Australia and we will obtain all the information we can.

Mr. House: I merely wish to know whether it is a private or a Government bank; I am not interested in the names of individual banks.

10. INDUSTRIES ASSISTANCE ACT

Financial Assistance

The Hon. R. H. C. STUBBS, to the Minister for Mines:

- (1) Has any assistance been rendered to farmers and settlers in accordance with section 9(a), (b) and (c), of the Industries Assistance Act?

(2) If so—

- (a) what assistance was rendered in relation to the various items of section 9(a), (b) and (c), in each of the two previous financial years?
- (b) what assistance has been rendered since the 30th June, 1970; and
- (c) in what districts was the assistance given?

The Hon. A. F. GRIFFITH replied:

- (1) Not in recent years.
- (2) Answered by (1).

11. MILK BOARD

Licensed Vendors

The Hon. CLIVE GRIFFITHS, to the Minister for Mines:

Further to my question No. 6 on the 26th August, 1970, concerning the delivery of milk to shops in a district, by vendors not licensed for that district, would the Minister advise how many other similar instances there are of this practice in the metropolitan area?

The Hon. A. F. GRIFFITH replied:

One hundred and twenty-four shops are served by permission of the Milk Board of Western Australia pending the issue of restricted milkman's licences.

12. PUBLIC ACCOUNTS COMMITTEE

Membership

The Hon. F. R. WHITE (for the Hon. J. M. Thomson), to the Minister for Mines:

When the Parliamentary Accounts Committee is established during the current Parliamentary Session, will it consist of members of both Houses?

The Hon. A. F. GRIFFITH replied:

Members of the Public Accounts Committee will be drawn from the Legislative Assembly.

13. LAND

Taxation Valuations

The Hon. F. R. WHITE, to the Minister for Mines:

- (1) Further to questions No. 11 on the 19th August, 1970, No. 7 on the 20th August, 1970, and No. 6 on the 25th August, 1970, would the Minister outline how the two portions of Lot 26, Swan Location 2309, totalling 8 acres 2 roods and 21 perches in area, were revalued as having an unimproved capital value of \$64,000 taking into consideration that it is an orchard on urban zoned land?

- (2) Is this value arrived at in accordance with the formula; market value less the value of improvements, equals unimproved capital value?
- (3) If the answer to (2) is "Yes" will the Minister state—
 - (a) what the assessed market value of the land is; and
 - (b) does he believe that the land could be sold for this figure?
- (4) If the answer to (2) is "No" would the Minister advise how the unimproved capital value of \$64,000 was arrived at, remembering that the answer to question 6 on the 25th August, 1970, states clearly that the only method used is that enunciated in 1907?

The Hon. A. F. GRIFFITH replied:

- (1) The unimproved value of \$64,000 was based on sales of land in the immediate locality and took into account all factors which affected value.
- (2) No.
- (3) Answered by (2).
- (4) See (1). The answer to question 6 of the 25th August does not imply that the only method used is that enunciated in 1907.

BILLS (7): INTRODUCTION AND FIRST READING

1. Auctioneers Act Amendment Bill.
2. Roman Catholic Vicariate of the Kimberleys Property Act Amendment Bill.
3. Interpretation Act Amendment Bill (No. 2).

Bills introduced, on motions by The Hon. A. F. Griffith (Minister for Justice), and read a first time.

4. Petroleum Pipelines Act Amendment Bill.

Bill introduced, on motion by The Hon. A. F. Griffith (Minister for Mines), and read a first time.

5. Offenders Probation and Parole Act Amendment Bill.

Bill introduced, on motion by The Hon. A. F. Griffith (Minister for Justice), and read a first time.

6. Fauna Conservation Act Amendment Bill.

Bill introduced, on motion by The Hon. A. F. Griffith (Minister for Mines), and read a first time.

7. Child Welfare Act Amendment Bill.

Bill introduced, on motion by The Hon. L. A. Logan (Minister for Child Welfare), and read a first time.

ADDRESS-IN-REPLY: NINTH DAY

Motion

Debate resumed, from the 25th August, on the following motion by The Hon. S. T. J. Thompson:—

That the following Address be presented to His Excellency:—

May it please Your Excellency: We, the Members of the Legislative Council of the Parliament of Western Australia in Parliament assembled, beg to express our loyalty to our Most Gracious Sovereign and to thank Your Excellency for the Speech you have been pleased to deliver to Parliament.

THE HON. V. J. FERRY (South-West) [4.51 p.m.]: I support the motion before the House. In so doing I would like to take the traditional opportunity to raise a number of matters, principally those which are of concern to the south-west portion of the State. There are very few people in our community today who would not be aware of some of the very serious problems that are being experienced by those associated with agricultural industries.

There are occasions when nostalgic expressions are used to describe the pursuits of those who are associated with the land; and in this respect I can instance the poetic references to cattle grazing in the fields, the aroma of the wool shed, or the smell of new mown hay. May I suggest that new mown hay can bring about a malady, such as hay fever, and may I further suggest that many people who are engaged in rural industries today are, indeed, suffering from hay fever—and in this respect the word "hay" is used in a monetary sense, to illustrate the small reward received by primary producers for their labours.

Whilst I do not claim to be a farmer, it would be incorrect to suggest that I am insensible to the problems of the people who are associated with the rural industries, and I do have some understanding of rural matters, particularly of the nature of the prevailing conditions that are affecting the lives of the country people. When I mention the country people, I refer to those who are engaged in the rural situation, because farming is of great importance to people living in country areas, just as the timber industry or any other facet of industry actively operating in a rural region is important to them.

I would like to reflect briefly on my personal background. My father took up land in this State as a farmer at the turn of the century, and my boyhood days were spent on his property. In those times it was a case of earning a shilling where one could, and not so much of earning a dollar, as is the case today. It is not my purpose to reminisce along these lines, because many members in this Chamber are, no doubt, aware of the conditions that existed.

Nevertheless, we should remind ourselves of the present conditions, and perhaps in mentioning them I can illustrate that I am not insensible to the problems which the agricultural industries face.

During his lifetime my brother—and now with his son—has engaged in rural farming occupation. In my career I have had experience in a financial institution; in the sugar industry of north Queensland; in the cattle industry of that region; and for a few years in the rich Darling Downs area of southern Queensland, which embraces such rural pursuits as dairying, the growing of grain, cattle grazing, etc.

During my career in Western Australia I worked in areas in the drier parts of the State which were mainly engaged in wheat production and woolgrowing, and also in the south-west where there is such a diversity of agricultural industries. In this respect I refer to industries such as potato growing, dairying, and the raising of beef cattle. It is with this background that I am privileged to represent a reasonably large electorate; and, because I do, I intend to touch on some farming matters, whilst dwelling more specifically on another primary industry. This is an industry of considerable importance to the welfare of the people living in the south-west—whether they be engaged in farming as a family unit, in business, in transport operations, in school teaching, or working for the local authorities, or whether they be the wives and children of families which are dependent on the production of the region. Of course, I am referring to the timber industry of this State.

Before I indulge in a closer examination of the timber industry, I would like to make reference to the fact that two members of this Chamber were privileged to go overseas very recently on parliamentary study tours. I congratulate them on their selection, and here I am referring to Mr. Stubbs and to Mr. Willmott, who is my colleague representing the South-West Province. I am sure that these two gentlemen have gained a great deal of knowledge from their study tours, and that they will now be better placed to pass on that knowledge for the benefit of the community.

Speaking of Mr. Willmott, I am aware that his particular aim during his study tour was to investigate matters concerning private forestry. Mr. Willmott and I work fairly closely in matters affecting the south-west of this State, and we are looking forward to examining further the forestry matters in the light of the knowledge which he has gained in forestry practices adopted overseas. Maybe in the future we will be able to come up with some suggestions which will help to nourish the timber industry.

I am convinced there is a place in Western Australia for the private forester; but it is not my purpose to deal with that

facet in speaking on the timber industry at this stage. There are many facets to the timber industry, as there are to any other industry. On a previous occasion I dealt with the softwood industry, but on this occasion I would like to refer to some facets of the timber industry in general.

Transport costs are one of the factors. Of course, this factor has application in other industries, and I will enlarge on it a little later. At the moment I am concerned with the timber industry, particularly with our hardwood industry.

In the development of this State, particularly of the Pilbara region in more recent times, the timber industry has been able to take advantage of the major construction projects, by supplying sleepers for the new standard gauge railway. This has been of tremendous assistance to our hardwood millers. More recently in this particular field some competition has crept in. I believe I am correct in saying that recently a contract was let for the supply of some 90,000 railway sleepers for the north-west, and all these sleepers will originate from Malaysia.

This is a challenge to the timber industry of this State and although I am sure the industry welcomes competition, as does any industry worth its salt, it is disturbing to know that Malaysian timber can be landed in the north-west of this State at a very competitive price when compared with the timber produced in the south-west of the State. I would suggest that this situation is very largely brought about by cheaper transport costs associated with the imported article. The high cost of transporting timber from the forest to the mill, and the transporting of sleepers to ports such as Busselton, Bunbury, and Fremantle for shipment to the north-west, is a loading on the industry.

If the present trend of using overseas materials in preference to our natural hardwoods continues, we would be well advised to look very closely at the freight rates which are applied in the railway system, and the handling charges and shipping rates which apply to material being transported from the south to the north of our State. I believe there is a case for a very close scrutiny of this aspect of marketing our produce.

Another matter, which is more of a Commonwealth nature, is that I would suggest there could be a case for an increase in tariff charges on sleepers coming into Western Australia. Sleepers are not a raw material; they are a manufactured product. The product is milled in such a way that it is acceptable in its dimensions and particular shaping so that when it is offloaded it can be transported straight to the railway site where the rails can be laid. As I have said, the sleeper is a finished product and is, virtually, a manufactured article. In this particular context

I believe the Tariff Board could well look closely at the situation with a view possibly to applying a charge which would benefit our own industry.

I am also aware that the Commonwealth Railways are using a limited number of concrete sleepers on the Whyalla line. They are modern heavy duty concrete sleepers and are capable of carrying a heavy duty rail. This presents a problem in itself because the concrete sleepers are, in fact, manufactured in Australia from Australian materials by Australian workmen, in direct competition with our hardwood sleepers.

The Hon. F. J. S. Wise: Do you know whether the Malaysian timber has been treated, or is resistant to white ants?

The Hon. V. J. FERRY: I cannot say whether it has been specifically treated, but obviously as it has been accepted it must be suitable for the north-west. In addition to the hardwoods which are being imported from Malaysia, other extremely competitive materials are also available. I refer to aluminium joinery, steel house framing, concrete floors, and plastic architraves and skirting.

A large quantity of Malaysian timber is being imported which, I believe, is being used both in the north and in the south. I understand that Hammersley Iron recently let a contract for a large number of houses at Paraburdoo. I think I am correct in saying that something in the order of 500 houses will be erected and the scantling will be Malaysian timber. Of course, I am aware that that contract has been let in competition with other suppliers within Australia.

As I said previously, I believe the timber industry welcomes competition. It has thrived on competition from within the State, from interstate, and from overseas. However, with the importation of timber for projects of the magnitude I have mentioned, I think we will again have to look very closely to see what can be done to assist the hardwood timber industry in this State.

Transport charges are, indeed, a major factor in the costs to the timber industry. Another cost is the royalty charged for the timber felled in this State. I realise that the royalty charges are, indeed, necessary because our forests are administered by the Forests Department under a special Act of Parliament. It is necessary for the Forests Department to have sufficient revenue with which to manage our forest production efficiently, and royalties are a major source of revenue.

I can see no real hope of having the royalty rate decreased, particularly in view of the rising wage costs and other administrative costs associated with modern living. I believe therefore that the area of transport charges is probably the one field in

which the Government—both State and Commonwealth—may be able to assist the industry.

I would suggest that the hardwood timber industry of this State has a high cost factor because of the nature of the timber itself. One of the more recent problems which has confronted the industry is what is commonly known as jarrah dieback. The correct name is *phytophthora cinnamomi*, but I will refer to it as it is more commonly known—jarrah dieback.

The problem associated with this particular disease is that areas so infected require special measures for the handling of the timber. This calls, particularly, for hygienic control of the vehicles moving from the infected area to other areas; the cleaning down of wheel tracks and gear, and that sort of precaution. The affected areas require what is known as clear felling rather than selective felling. In selective felling marked trees are felled and carted away to be milled. The remaining forest is left to mature. However, clear felling is somewhat the same as clearing land for agricultural purposes. The land is usually completely cleared.

Complete clearing brings about inefficiency inasmuch as not all the timber taken is of marketable quality; it is all shapes and sizes. Another point is that possibly 50 per cent. of dieback material does not meet specified requirements and all this adds to the cost loading on the finished product.

One of the problems associated with the milling of our Eucalypt species is that it is a hardwood. A second problem is that the logs are of varying sizes. There is also the disability of not being able to use the heart of the log because it is either decayed or soft, and is not suitable for commercial purposes.

A mill is usually geared for a particular size of log, but in the case of clearing a dieback area, the specifications and dimensions are being constantly altered to cater for the various sizes which are brought to the mill. In the case of Douglas fir or Oregon, where the trunks are long and straight, a mill can be geared for that type of material and very little variation to the settings is necessary. However, that is not the case with Eucalypts.

Another disability affecting the timber industry is the change in the pattern of building. There has been a reduction in the number of brick veneer homes being constructed. More double brick buildings are being constructed than has hitherto been the case. Far more floors are being constructed of concrete, both in the city and in country areas, and particularly in the north-west. The modern trend is to build high-rise flats in which less timber is used per home unit.

The timber trade has also commented that the price of timber, when compared with other materials, is generally too high. Coupled with this opinion, has been the comment that the quality of the timber is falling. I believe the quality has been affected by some of the difficulties I have just mentioned regarding milling and the other problems associated with the timber itself.

I submit that the timber industry is making a real contribution to the Western Australian community and to the economics of the State as a whole. It affords employment, directly and indirectly, to a substantial degree, and is fundamental to the existence of rural areas. The timber industry is of a decentralised nature. Coupled with farming, it could be a classic example of decentralisation in the widest sphere.

The timber industry has spent considerable sums of money to improve efficiency, and in an endeavour to maintain and improve recovery rates. It is well known that the recovery rate of commercially accepted timber is between 30 per cent. and 40 per cent. of each log, the balance of the log being waste. The milling fraternity is endeavouring to improve the utilisation of timber to offset the declining log quality.

I have already mentioned that our hardwoods are more costly to mill and, therefore, more costly to market. That cost, of course, is added to the final sale price. In speaking of markets I think it would be pertinent to mention the situation which has existed in South Australia in past years. For some considerable time there has been a very useful outlet in South Australia for both karri and jarrah.

At present a good deal of Douglas fir or Oregon timber is being used in building in South Australia. An interesting point I picked up the other day is that it is said in South Australia that as much as \$80 per roof on the average house can be saved by using Oregon timber as against Western Australian hardwoods. That is a substantial saving. In addition to this, I understand that through an afforestation programme in South Australia an increasing amount of mature pine material is coming onto the timber market. It is home-grown South Australian pine and, naturally, preference is being given to this material.

So we have that sort of situation in South Australia and coupled with it, of course, is the fact that there is not as much building activity in South Australia as has been the case in the past.

In respect of New South Wales, and Sydney in particular, I am informed that builders are paying something like \$5 more per 100 super feet for timbers easier to work than karri. In other words, it is worth it to the building industry to use a

timber such as Oregon, which is easier to work and thus saves time and labour, than it is to use our karri timber.

I believe there is still a limited market for our timber in South Australia today. One of the main problems in respect of servicing this outlet is transport, and here shipping plays its part. I am aware that over recent years a great deal has been done to encourage regular trade between Busselton and Adelaide, and in his report for the year ended the 30th June, 1970, the Director-General of Transport made special reference to the situation affecting the export of timber from the port of Busselton to Adelaide. I am pleased that the director-general and his staff have taken the trouble to go into this problem so comprehensively and to have a look at the actual situation.

I do not believe that as yet they have found an answer to the problem, but I understand it is being tackled in a very forthright way and there is a line of thinking now whereby ships of a smaller type, up to some 4,000 gross registered tons, may be engaged to ply between Busselton and Adelaide.

Busselton has some advantages by way of port facilities, although it is an open port—open to some of the north-west gales, for instance. However, by comparison with some other ports, such as Bunbury, it does have advantages and one of them is the fact that labour is more readily available. The loading rate at Busselton for timber is slightly higher than at Bunbury—marginally higher but it is higher. The berth occupancy for shipping is lower and therefore the handling costs per ton are lower. Therefore, there is some hope that with these factors helping the Busselton region there may be a chance of getting the smaller ships, either of an Australian line, or maybe by charter—that is, ships chartered for this purpose—to service the outlet to which I have referred.

Another outlet which I believe deserves very close scrutiny is the outlet to Sydney by way of the standard gauge railway. I find it hard to believe that we cannot come up with some system by which timber can be advantageously placed in timber yards at Sydney after having been transported by standard gauge rolling stock from Western Australia and taken directly to those yards without any intermediate handling.

Having said that I would hope that this point will be closely examined by the Railways Department and the industry itself. So much has been said, and I believe correctly, of what a tremendous advantage the standard gauge railway is to Western Australia, that I believe it is up to us to ensure we take the maximum advantage of the situation.

In respect of transport to the north-west, maybe the introduction of what are known, as LASH ships will provide some of the answer for handling the type of material

to which I have been referring. In my view handling charges must be very closely examined to see whether some advantage can be given to this very important industry—the timber industry of Western Australia. If we have a situation where contracts for timber materials are being given to overseas companies not only is there a royalty loss to the Forests Department and a freight loss to the Railways Department and shipping interests, but it also has an effect on the wharfage and other charges in respect of the handling of the material concerned.

There is one particular aspect in respect of the timber industry which does concern me—and concerns me not a little—and that is the question of mining in State forests. I realise there must be a very sensible balance between mining activities and other activities, but there is one form of mining which does affect the State Forests to a considerable degree—that is, bauxite mining. I for one have no intention of standing in the way of balanced progress. Nevertheless, this is a feature which needs to be watched not only in regard to bauxite mining but also other types of mining.

As Parliament, in its wisdom, has, over the years, vested the control of State Forests in the conservator by Act of Parliament, and has given him authority to preserve the timber industry in perpetuity, I believe we have a particular duty to ensure that this right and responsibility is not denuded. I am not saying it is being denuded, but I believe we need to watch the balance very closely indeed and although we have reafforestation of previously mined areas there is no sure guarantee that the trees planted on the areas that have been previously worked will in fact mature into commercial timber.

Forestry is a long-term business and only time will prove whether, in fact, those plantings will produce commercially accepted timber. I believe the plantings show great possibilities; but then again there are some hazards with this sort of thing. I mention these points in passing in my comments on the timber industry as a whole.

Another feature about the timber industry which is of interest is that of wood chipping. In this regard I refer to the protracted negotiations that are currently in train. However, it is my firm belief that a wood chipping industry is a lot nearer today to being a commercially viable proposition in this State than it was even three months ago. I believe the signs are there and I understand the company charged with the responsibility, under license, of negotiating for the establishment of a chipping industry is receiving favourable treatment from the Japanese milling interests—more favourable treatment is being given and more interest is being shown than hitherto was the case.

I wish the project every success because if we can capitalise on forest waste, of which there is an immense amount throughout our forest areas, it tends to make the timber industry far more viable in so many respects.

The Hon. A. F. Griffith: Have you ever done any study on the amount of extruded aluminium that is available in an area of forest country containing bauxite in comparison with the amount of timber available over the same area? Had you done so you would have found it to be very revealing.

The Hon. V. J. FERRY: I realise there is great value in this sort of mineral activity; no-one would deny that. However, by the same rule, in the long term—and forestry is a long-term business—there has to be a reasonable balance. That is an expression with which I think no-one could argue.

The Hon. A. F. Griffith: I think this is one case where we can get the best of two worlds, and that is very hard to do.

The PRESIDENT: Order!

The Hon. V. J. FERRY: I believe both industries have to work side by side, in the same way as other industries do. For instance, farming is in direct conflict with forestry activities. It has been for as long as I can remember, and even before then. But the fact remains that the Forests Department has learnt to live side by side with the farming industry. They have their difficulties and they will have their differences over the years ahead. I can see no greater problem with the Forests Department or private foresters working in a rural situation, with farmers alongside and around them, than I do with mining or, indeed, any commercial undertaking. I merely pass the comment that this sort of thing has to be done in all reasonableness. I was not indulging in any criticism at this stage.

In respect of studies of transport activities, I am again indebted to the Director-General of Transport for the studies he has been carrying out, with his officers, in association with the Farmers' Union, shires, and other interested people in various parts of the State, more particularly in the Boyup Brook-Kojonup area where a tremendous amount of research work has been done. It has been done with the object of lowering freight costs for the benefit of the community at large and there are two or three alternatives in respect of transport activities in this region.

This is most important because today, whether a person is a farmer or a school teacher in a rural community, or whether he is a storekeeper or a shop assistant, transport costs are all-important to make a region economically viable. By so doing it becomes a better world in which to live

and, therefore, I am grateful for the work that is going on and I believe only good can come from it.

Another facet of transport activities with which I have been happy to be associated is that in connection with the negotiations that have been going on recently between the Railways Department and the Western Australian Fruit Growers' Association, and also the research that has been undertaken. Those two bodies have had some very fruitful discussions on revised timetables both for road and rail transport of fresh fruit from the south-west to the metropolitan markets. The region to which I previously referred has been at some disadvantage in previous years in getting fresh fruit transported from the south-west in time to be placed on the metropolitan markets to compete with fruit grown in areas nearer the metropolitan region—such as the hills area.

This work is still continuing and the question of transport and handling charges from the Kewdale railway terminal to the metropolitan markets has been looked at very closely.

One thing that gives me a great deal of pleasure to remark on is some work done by another Government department. Occasionally we hear criticism of those employed in Government departments, and some departments in particular. Probably the criticism is deserved in some instances, but it is most refreshing to come upon a situation which to my mind is particularly creditable—I refer to the situation which is prevailing at the agricultural research station at Denmark.

Some 18 months or two years ago the future of this establishment was in jeopardy, and it appeared that it might have to be closed down. However, I am most happy to say that was not the case; it was decided to retain the research station and to re-organise it completely. The Denmark Research Station has particular application to the south coastal area, which has problems which can be solved only by research in that particular region. Therefore, the research station plays a particularly important part in the sphere of agriculture in the lower south-west regions.

Last week it was my pleasure to visit the Denmark Research Station again—as I do from time to time when I am in the district—and to see the work that is going on. In the last 18 months the station has been completely re-organised; old buildings have been pensioned off, as it were, and new facilities established. These facilities, of course, include not only building structures but also new fencing, cattle yards, dairy accommodation, and that sort of thing.

The Hon. J. Dolan: Was provision made for more students?

The Hon. V. J. FERRY: I am not referring to the agricultural school; I am speaking about the Denmark Research Station, under the Department of Agriculture. All credit must be given to the previous officer-in-charge of the dairying section in that department, Mr. Harry Elliott, who recently retired. I wish to pay tribute to him for the work he performed in re-organising the Denmark Research Station. Much of the work involved was undertaken by contractors, but I feel the reason this station is blooming—and I use that word advisedly—is that a tremendous amount of the construction work has been undertaken by Mr. MacIntyre, the officer-in-charge, and his staff.

Those people have not waited for contracts to be let. Arrangements were made for them to be supplied with material, and when they could apply themselves to effecting structural improvements—such as the construction of some sheds, concrete flooring, subdivisional fencing, and stock-yards—they hopped in and did the job; and are still doing it. To me it is most refreshing to see these people carrying out this type of work so enthusiastically, and saving a tremendous amount of money. They have demonstrated what can be achieved with the help of a little goodwill.

So I wish to compliment Mr. MacIntyre and his staff, and also the department for backing them up, on this most refreshing exercise which, in my view, will eventually make the Denmark Research Station a show place on the south coast. I do not mean it will be a show place merely for the sake of show; excellent research is being carried out there, and it will continue to be carried out for many years to the benefit of the rural community.

Finally, Sir, I would say that there is much one could talk on in relation to the rural industry and the problems confronting it today, and I do not intend to outwear my welcome at this point of time. Nevertheless, I wish to comment, if I may, on the excellent contribution made by Mr. Medcalf on Wednesday, the 19th August last, when he referred to so many facets of probate and estate duties. I feel that Mr. Medcalf expertly and sensibly covered the situation and I would support most of what he implied. I do not intend to cover similar ground, except to say that I believe what he said deserves to be scrutinised in the right places with a view to relieving some of the very obvious pitfalls in our probate system today.

THE HON. R. F. CLAUGHTON (North Metropolitan) [5.35 p.m.]: In his Speech, the Governor referred to many matters, and I will not attempt to emulate him. I will endeavour to confine myself to fewer subjects; but at the same time I find myself in a quandary regarding what to select to bring to the notice of the Government because I believe that a good many matters

are concerning and troubling the people in our State today. However, at the outset I would say that I support the motion moved by Mr. Syd Thompson.

In his Speech the Governor covered items ranging from farming, housing, and land, to industrial development. He mentioned matters such as the road toll, the possibility of a parliamentary public accounts committee, and also legislation which it is proposed to introduce. I would comment on only one section of his Speech which has a bearing on what was said by the honourable member who has just spoken. A few years ago when I entered this Parliament, reference to a change in the policy of Japanese pulp paper purchasers who were combining to obtain better prices was made in a booklet called *Economic Activity*. At that time there was some mention of chip industries being established here and in the Eastern States. It seemed to me that we in Western Australia were going to have trouble obtaining a price which would enable the industry to be established. I am not in the least surprised that the difficulty remains today.

I noticed in a recent publication of the Forests Department that the department was very optimistic about the future of the timber industry and, although I cannot remember the figures which were given, the department predicted a tremendous growth in the use of various timber produced in our State.

In the Governor's Speech the following was stated:—

Increasing emphasis is being placed on the policy of processing mineral resources prior to export. This policy, in most cases, calls for negotiation at international levels because of the importance of securing substantial overseas markets.

I would remark that the term "negotiation at international levels" is merely so many words. Western Australia has been doing this for a long time in order to sell its primary products. If we are to sell goods overseas, obviously we must negotiate at an international level. This simply means that we negotiate with buyers outside this State.

The Hon. V. J. Ferry: How can we negotiate with overseas people if we do not negotiate on an international level?

The Hon. R. F. CLAUGHTON: That is what I am saying. The reference in the Governor's Speech does not mean a great deal. As I mentioned previously, there is much that is troubling the people in this State. I have heard people speaking about the problems in housing and land, and the problems associated with the industrial conflict which has arisen as a result of the inflationary trends that are evident in Western Australia, and in Australia as a whole. However, I do not intend to go into those matters.

I would refer briefly to the road toll, because a gentleman wrote to me recently indicating that he had written also to a member of the Government parties. This gentleman was an instructor for a driving school, and in his letter he offered a number of suggestions for the improvement of driver-training and control. One of his suggestions was that driver education and control should be separated from licensing and other matters under the control of the Traffic Department. He said that a good deal more emphasis should be placed on the training of drivers. We are beginning to place emphasis on the training of young drivers in schools, and I feel this will eventually lead to a significant drop in the road toll.

I wish to refer also to a circular I received today which arises from the Budget provisions of the Commonwealth Government. It refers to things happening in this State, and it came from the Royal Automobile Club of W.A. The submission is dated the 25th August. I will read all of it—

R.A.C. W.A. President, Mr. J. O. Dewan, believes that there is a strong case for taxation relief for motorists in the State Government's Budget. This applied specially to Stamp Duty on new vehicle registrations and transfers and the surcharge on the third party insurance premium.

Mr. Dewan said that last year the gross amount of State revenue from taxes and licence fees paid by motorists was \$17.2 million. Of that amount some \$1.1 million was retained by the Police Department and various local authorities as administrative and collection costs.

It could reasonably be expected that the total net collections would be used for roads construction and maintenance. However, of the net figure of \$16.1 million about \$2 million in Stamp Duty charged on vehicle registration was transferred to Consolidated Revenue.

Mr. Dewan considered that it was inequitable that this Stamp Duty, collected from motorists and diverted to general purposes, should continue to be charged.

Another gross imposition was the surcharge on the compulsory third party insurance premium which last year added a further \$800,000 to Consolidated Revenue. If the original imposition of this levy was justified its retention certainly was not since the matching grants argument was no longer valid.

It could be accepted that, generally, Western Australians were prepared to invest in their State's future. But it was important that the spread of taxation should be equitable.

As a section of the community, motorists had shown remarkable forbearance in the face of ever-increasing taxation which could only be described as discriminatory.

The heavy increase in motoring costs imposed by the Federal Budget emphasised the need for the immediate removal of unjustifiable taxes at the State level.

I do not wish to develop the subject, but merely to bring it to the notice of the House.

The Hon. A. F. Griffith: Does the gentleman suggest where the State Government might make up that amount of approximately \$4,000,000 if those taxes were discontinued?

The Hon. R. F. CLAUGHTON: No.

The Hon. A. F. Griffith: Is that not his responsibility?

The Hon. R. F. CLAUGHTON: The Minister might choose to offer some suggestions later on.

The Hon. A. F. Griffith: I thought I could expect something from you as a critic of the situation.

The Hon. R. F. CLAUGHTON: It seems to be rather an odd circumstance that certain sections of the community appear to be singled out as fair game for taxation purposes. One such section appears to be the motorist.

I was also rather disappointed when I heard the speech of the Federal Treasurer on the Federal Budget, to find that one section of primary industry—which is thriving and contributing at least a measure of stability and growth to that industry—was to be made to suffer the burden of added taxation. I refer, of course, to the excise duty which is to be placed on wine.

The Hon. A. F. Griffith: The industry will not suffer. It will be the consumers who will suffer.

The Hon. R. F. CLAUGHTON: This duty is expected to add 15c to the cost of a bottle of wine and it is possible that instead of continuing to be a growing and thriving primary industry the wine industry might suffer some setback as a result of this impost. This is all the result of alcoholic drink being regarded as fair game for taxation.

I consider that the appointment of a parliamentary public accounts committee will be a worth-while development. This matter has been mentioned by at least one other speaker and reference has also been made to the rather unnecessary time that is spent in opening Parliament year after year.

I would go a step further and suggest that this entire Chamber is unnecessary. This, of course, is a personal opinion which I have formed after having had some experience within the Chamber. I feel the

State would lose nothing by the abolition of the Legislative Council, particularly if, instead, we were able to develop a system of committees in the Legislative Assembly. Such committees would adequately perform whatever function this House is supposed to perform in reviewing legislation.

The Hon. F. J. S. Wise: You would have to keep it open to enable the Governor to open Parliament.

The Hon. R. F. CLAUGHTON: We could probably find a way to overcome that difficulty.

The Hon. F. J. S. Wise: The Governor could not go down the other end.

The Hon. A. F. Griffith: Over the years I have heard many people say that this House is unnecessary, but for some extraordinary reason they continue to stay here and stand for election year after year. I cannot understand why.

The Hon. V. J. Ferry: As you were saying?

The Hon. R. F. CLAUGHTON: We could suggest from our side that the Government is unnecessary, but the fact is that it does exist—in the same way that the Legislative Council exists—and we must learn to live with it. We cannot ignore the position. That, however, does not prevent us from feeling that the Legislative Council has outlived its usefulness and that we would be better off without it.

Quite apart from the development of a system of committees in the Legislative Assembly I would also suggest that the life of a Government should be extended from three years to five years. I think we would all agree that three years is far too short a time for a new Government to take any action that might be worth while.

The Hon. A. F. Griffith: If I introduce a Bill to extend the life of the Government by two years, would you support it?

The Hon. R. F. CLAUGHTON: I would if the measure included a provision to abolish the Legislative Council. We could, no doubt, spend a good deal of time in discussing the details that might be included in such legislation but I do not think that is necessary at this moment.

The Hon. A. F. Griffith: I think the water you are in is deep enough as it is.

The Hon. F. D. Willmott: And the water is getting hot.

The Hon. V. J. Ferry: Put the kettle on.

The Hon. R. F. CLAUGHTON: Included in the Government's projected legislation is a Bill which will seek to increase student and staff representation on the University Senate. Such legislation would, no doubt, encourage a greater responsibility on the part of our students as it would involve them in the affairs of the country instead of their being condemned for criticising it. Such a move would, I think, avoid in this State student trouble similar to that which has occurred in overseas countries.

We have been particularly free from such trouble and this is partly due to the tolerant attitude shown to our students by the more adult section of the community. The move would be worth while as it would help draw the students into the mainstream of society and give them more say in matters that might require attention.

When the Government introduces its legislation to amend the University of Western Australia Act I would like to see it change its opinion on the suggestions put forward by my party on the last occasion the Act was amended, when further representation was sought on the administrative side as distinct from the professorial side. I refer now to the clerks, the registrars, the typists, and other functionaries of the University who are not represented on the Senate. If they were it would do a great deal to improve employer-employee relations in this field of endeavour.

In the field of education I was very pleased to see a recent development in the change of format for the primary school reports. This is to follow the lines adopted in the high schools. The main change is that instead of there being a permanent book record which is at the moment retained by the school until the child completes his primary education, there will now be a loose-leaf form of report which the child will bring home and the parents will be able to retain. I was rather impressed when this loose-leaf form of report was sent to me.

The Hon. F. J. S. Wise: The results must have been good.

The Hon. R. F. CLAUGHTON: The method of marking has remained non-numerical. A percentage mark is not given. There are now to be three grades which indicate whether the child is above average in achievement—that is the higher level—whether he is of average level in achievement, or of low average level in achievement. Within each of these levels in the grade an indication is given of the child's performance at the particular level.

This will give the parents a better idea of how the child is performing—of his individual performance rather than of his performance as compared with other students in the class.

I feel this indicates that the department is looking at ways in which a more effective approach could be made to the parents. What really struck me about the new form was that shortly after its receipt I received a request from the school—which was sent by the department—asking me, as the parent, for my opinion of the new report.

When I speak of involving parents more in our education system I do not mean they should be appointed to school boards

with a view to telling the headmasters and teachers how they should run the school.

The northern suburbs supplement of *The West Australian* reported that the headmaster of Woodlands School had invited parents to attend the school where a seminar-type of discussion was held during which a number of questions were listed for debate. Members will be surprised to learn that 135 parents attended at the school and from the reports it would appear that very lively debates ensued. Opinions were collected and a report was prepared at the conclusion of the discussion.

On one occasion while I was teaching at the school and when a new syllabus was being prepared, I asked the parents to attend the school so that I could inform them of the new maths that were proposed. This form of maths was quite new at that stage. On that occasion there was nearly a 100 per cent. turnout by the parents. This will indicate the interest which parents show in the education of their children.

I am very pleased that the Education Department is making an effort to seek parent opinion and involvement in school activities and I am sure that only good can flow from such action.

Another matter in the education field to which I wish to refer is the recent publication of the Tregillis report, a copy of the summary of which I have here. It is similar to the Martin report published in connection with university education. A great deal of importance is attached to this report by those within the technical education system of this State. Some concern has been expressed to me, however, at what appears to be a lack of interest on the part of the department in connection with the proposals contained in the Tregillis report.

The committee responsible for the preparation of this report travelled widely in Europe and examined the systems of technical training in various countries before making a summary and preparing recommendations concerning the type of systems it felt should be applied within Australia. The committee feels that the old system of apprenticeship, after which a man becomes a craftsman, is no longer adequate for the quickly changing technological scene in today's industrial field. A rapid development of new technologies is taking place for which new types of skill are required, and our technical education system is not geared to train those who desire to work in this field.

In a country such as Great Britain, for example, there are various levels of skill through which a trainee may progress to the level he desires to attain. For instance, a man might wish to remain at a semi-skilled level, or just above that level. If so, he can remain at that level; but if he wishes to progress he may do so to the next grade above, and then even further through

what might be described as the skill grades to the technician grades, and even beyond that again.

Sitting suspended from 6.03 to 7.30 p.m.

The Hon. R. F. CLAUGHTON: It has been said that one can tell a child is growing up when he stops asking where he has come from and starts refusing to tell where he is going. It is a little like that in technical education. I do not pretend to be an expert in this field and initially I was reluctant to bring the matter before the House. However, I feel that some value may be gained by drawing the Government's attention to technical education, because concern has been expressed to me by people in the field of education who should know what the difficulties are.

The 1967 Annual Report of the Education Department shows that 59,729 students were enrolled in technical education. In 1968, this number had increased to 63,114. We must compare the estimated need which, I am told, is for 103,000 places. At the moment there are approximately 64,000 places available. It is obvious that there is an urgent and real need for expansion in the field of technical education.

I was a little surprised when the Federal Treasurer indicated in the Budget speech that some provision would be made for a training programme for women. This is a good suggestion, of course, but if the situation which I have outlined exists available money would be spent more appropriately in increasing the facilities for technical education generally. Then, of course, women who desire to use these facilities would be able to do so. I think this would be better than making provision for one specific group.

Before I leave the subject of education, I wish to mention briefly the visit of Sir Ronald Gould, the President of the World Confederation of Organisations of the Teaching Profession who spoke in Perth recently. I know a number of members of Parliament attended that lecture. Sir Ronald Gould is a very forceful and interesting speaker and, in some respects, perhaps his ideas are a little ahead of his time. He is a man who feels that parents have a fuller role to play in the education system. He believes that education systems are failing because they are not geared to the need to develop a person as an individual. He spoke of the increasing way in which the education system is taking over the role of the parents. At one time education simply fulfilled the need to promote three skills; reading, writing, and arithmetic. Education performs a much wider role these days, and an ever-widening role.

In all probability, Sir Ronald Gould would be an advocate of what, in former times, was called a liberal education. Even

as far back as Plato this style of education was propounded. Plato stressed the role of music—Muses, or the Arts—in the education of the young. Sir Ronald Gould also stressed the need for an education system to cater for peoples of all ages and not simply those in the compulsory education range. I am sure his visit would have helped to reinspire many educationalists within the State and wherever else he visited in Australia. The occasion, of course, was the International Year in Education.

I would like to pass now to the question of conservation, which is a topical subject and one that is in fashion.

The Hon. F. R. H. Lavery: It is not controversial, is it?

The Hon. R. F. CLAUGHTON: It should be topical, because there is a real need for the public to become fully aware of the importance of conservation in our lives and the need to be on the watch for signs of pollution in its many different forms.

It is very difficult for a conservationist who is not properly equipped to be aware of circumstances which would endanger flora and fauna species in our State. Of course, advertisements appear in the Press and on notice boards, but unless a person is able to interpret the advertisements and relate them to a particular locality, it is difficult for him to know whether or not an important area is in danger.

Reference has been made to the Fitzgerald River reserve. I have not been there and I only know what I have read in the Press. In addition, I watched a television discussion with Mr. Kallis and I was quite impressed with that gentleman. He has been associated for a long time with the fishing industry, an industry which has appeared to recognise the need to conserve species of fish. I am sure he is a man who would carry this same concept into any mining activities which he undertook. We are told that he has employed a biologist to survey the area and the biologist has made the statement that no unique plants on the reserve would be in danger. This may very well be the case, but I think a certain principle is involved. The principle is that the advice must be suspect, because of the degree of self interest. It has already been pointed out that efforts were made as far back as 1962 to have the area classified an "A"-class reserve.

The Hon. E. C. House: By the then member for Albany.

The Hon. R. F. CLAUGHTON: However, no action has been taken up to date. The value of the deposits are said to be \$1,000,000,000 and, because of this, there is immediate agitation to have something done. The deposits have been in the ground for a good number of years and they are not going to disappear within the next 12 months or so.

It is apparent that a great deal could be gained for the State through the mining of deposits of this order. However, there is equally a duty upon us to conserve for future generations the indigenous plants and animals which do not exist anywhere else on this planet. Because of the lack of research up to date, we have no idea how important and valuable these species could be for future generations.

The Hon. J. Heitman: The honourable member does not agree with Mr. House?

The Hon. R. F. CLAUGHTON: My opinion is that more would be gained by conducting a geological, anthropological, or biological investigation of the area.

The Hon. E. C. House: Is the honourable member suggesting that this will not be done?

The Hon. R. F. CLAUGHTON: As I say, the area should be thoroughly examined before it is mined for the purposes suggested. I have been told that the coal deposits contain fossils that are unique. If the coal is removed these fossils will be lost. The delay will not make any real difference, because the deposits will still exist and could be mined at a later date. In the meantime, the endemic plants, which grow on the reserve and nowhere else, could be studied and perhaps ways could be determined of how and where they could be preserved. This should be done before mining operations commence, if it is decided to allow mining in the area.

The Hon. A. F. Griffith: Does the honourable member know what the company wants to do? I refer to the company which has made application for the area.

The Hon. R. F. CLAUGHTON: I do not know.

The Hon. A. F. Griffith: That is very obvious.

The Hon. R. F. CLAUGHTON: I am putting forward a general principle and I do not think the interests of the company should override the interests of conservationists. If studies show that no endemic plants would be in danger and that no danger would be caused to the fauna in the area where the company wants to mine the minerals, it could then proceed and there would be no public outcry against the move. There would be everything to gain and nothing to lose in this approach.

The Hon. E. C. House: The reserve runs for 70 miles.

The Hon. R. F. CLAUGHTON: Do the deposits of montan wax run for 70 miles?

The Hon. E. C. House: No, they are on only 6,000 acres.

The Hon. R. F. CLAUGHTON: Then they are within a very limited area.

The Hon. E. C. House: Within 1 per cent. of the total area.

The Hon. R. F. CLAUGHTON: Nevertheless, that acreage could carry a great deal in the way of flora and fauna, because it is extremely localised.

The Hon. A. F. Griffith: What sort of examination does the honourable member suggest: a geological, biological, or anthropological survey?

The Hon. R. F. CLAUGHTON: Does it have to be a question of "either, or"?

The Hon. A. F. Griffith: The honourable member mentioned three. I want to know which one he recommends.

The Hon. R. F. CLAUGHTON: In turn, I am asking the Minister: Does it have to be "either, or"? Surely all these things need to be examined before mining is allowed to proceed.

The Hon. A. F. Griffith: At least we are halfway there so far as the honourable member is concerned. What the company wants is the right to be granted a prospecting area so that a geological examination can be undertaken. Subsequently any conditions of mining could be imposed upon the company.

The Hon. F. R. H. Lavery: The company is going into it now, I believe.

The Hon. R. F. CLAUGHTON: It was also mentioned during debate that the company would be prepared to construct tourist roads through the area. That sounds like a fine idea but surely the effect on the plant life must be examined before these roads are constructed.

The Hon. E. C. House: You are being ridiculous. You cannot get near those plants at the present time except in a four-wheel drive vehicle.

The Hon. R. F. CLAUGHTON: If access and tourist roads were constructed there one would not need a four-wheel drive vehicle; one could go there in an ordinary vehicle.

The Hon. E. C. House: No-one sees it. It should be opened up so that people can enjoy it.

The Hon. R. F. CLAUGHTON: If there are 25 or 26 plants that are endemic to the area and are not to be found anywhere else in the world, we should not open up the area by putting roads through it so that everyone can tramp around there. By putting roads through the balance of the plant life is changed and the plants cannot survive.

The Hon. E. C. House: What do you suggest we should do?

The Hon. R. F. CLAUGHTON: I suggest the area should be properly surveyed.

The Hon. E. C. House: That will be done.

The Hon. A. F. Griffith: If it is properly surveyed, it will be trodden upon.

The Hon. R. F. CLAUGHTON: That sort of facetious comment is not really becoming to a Minister.

The Hon. A. F. Griffith: It is not facetious. I have here a file which reveals the history of this matter. Forty years ago the party to which you belong did not worry about it.

The Hon. F. R. H. Lavery: There are about 20 scrub birds near Albany, and look at the area that is reserved for them.

The DEPUTY PRESIDENT: Order, please.

The Hon. R. F. CLAUGHTON: The matter of conservation has recently been discovered by the public and by politicians. I have at home a book that was published between 1945 and 1949, in which the author said that Australia has, for instance, 68 parrots that are not found anywhere else in the world and that efforts should be made to preserve them. The cry for conservation is not new in Australia. The disciples of people like John Gould, who has influenced many people over the years, are today in a position to influence others. I think that, as much as anything else, has led to a greater public awareness of the need to preserve the rather peculiar plant and animal life that Australia possesses in abundance.

The Hon. E. C. House: I could not agree with you more, but one needs to be able to see it to appreciate it, and if one cannot get near it one cannot do that.

The Hon. V. J. Ferry: Even galahs have their place.

The Hon. R. F. CLAUGHTON: We will not pursue that any further.

Another recent example is the outcry about conservation in connection with Herdsman Lake. When it was first proposed that a committee should be formed, I received a phone call about it but I was reluctant to rush into the matter without knowing what it was all about. Eventually the committee decided not to invite me to join it. I asked the Minister for Town Planning to supply me with a diagrammatic sketch of the area, which he has done.

I think that the concern about Herdsman Lake should have been shown some years ago when the scheme for the metropolitan area was being drawn up, together with the road systems to serve that scheme. To my mind, Herdsman Lake, as a wilderness, was doomed many years ago, and the plan presented to me by the Minister shows that this was something of a dream. It is not a wilderness area for the preservation of bird life.

There are one or two aspects of this matter that I would like to have cleared up. The diagram illustrates an industrial area in the northern section of Herdsman Lake which is greater than that set out in a by-law of the Shire of Perth published on the 26th March, 1968. The industrial area is described as lying within the black border on the map supplied. The

whole of that area is north of Pearson Street, according to the map. On the diagram this industrial area extends below Pearson Street into the swamp area.

Last Saturday an amendment to the Perth Shire district scheme was published. This amendment extends the industrial zone, as illustrated on the diagram, westward to meet up with the freeway system, sometimes called the Stephenson freeway, or the controlled access road. In this section there is an area of original tree growth, which is the only area of indigenous trees that remains. All those trees will be removed if the industrial zone is extended to the south.

The purpose of this scheme for the lake was to retain breeding areas for the various forms of water bird that inhabit it. A lake area of about 300 or 400 acres is to be developed in the southern section of the lake. For this purpose the blue road—an extension of Hale Road—has been bent to the north.

I do not know what the naturalists or the officers of the Department of Fisheries and Fauna have had to say about it, but to my mind it seems that here we have an area of indigenous plant growth that would provide shelter, and it could be left undisturbed if the industrial area to the north of Pearson Street were retained. There would be no access to the swamplands if development took place in the northern section. According to the diagram, the northern section is to be set aside for active sports; the area in the south is to be set aside for passive recreation, and that is the area where an extensive group of flats is to be built, which will accommodate a large number of people.

I think it would be more feasible if this development were the other way around. Greater protection could be given to the bird life by preservation of the lake in the north, and better access could be provided to the recreation areas by locating them to the south of the blue road.

The Hon. E. C. House: You have my support this time.

The Hon. R. F. CLAUGHTON: I offer these suggestions. I also saw a plan for flat development on the south-west corner of the lake, wherein it was proposed that part of the public open space that must be provided by landowners should be included in the flat development. This seemed to me to be a reasonable way to handle the problem, to create a better environment for the people who would eventually live there.

I recently referred to flat development in Scarborough. I am rather concerned that in town planning in general—whether in the Shire of Perth or anywhere else—the public does not learn what the plans are until all the decisions have been made, at which time it becomes very difficult to do anything about them.

In the Scarborough area it is proposed to have an extensive GR6 zone—a high density flat zone—north and south of Scarborough Beach Road, almost out to the coast. This is already a fairly large, built-up suburban area. The developers approach the house owners, who have probably lived in the area for some time and have built their homes and established their way of life there. Those people might have strong objections to moving elsewhere. It may be a difficult problem where there are already developed areas, but that does not make it any easier for the people who have to suffer it.

There is a large section of Herdsman Lake which has already been approved for flats. That would be an area in which to encourage high density flat development. A large expanse of open space is available, in which people can find recreation. There would be great difficulty in doing that in the GR6 zone in Scarborough. Very often people are told by developers, "So-and-so is going to sell his place; if you don't move you will be left behind."

They are subjected to pressure, and if they resist they find themselves living between high rise residential structures which completely overshadow their residences so that no longer can they enjoy the outdoor environment they enjoyed previously.

Firstly, I suggest that this type of development should be resisted so long as there are other areas that can be developed for high density living. Within the western section of the shire there is an area along Herdsman Lake, and also at Karrinyup there is an area that is owned by the Rural and Industries Bank which embraces a fair tract of land, that could be zoned for the building of flats. Such an area would probably benefit if development was deferred on the other Scarborough Beach GR6 zone I have mentioned.

Secondly, I would like to see the GR6 zones developed more along the lines of a town planning scheme; that is, a complete section is developed and people are encouraged to join in such a development scheme which could only be proceeded with if all those concerned were agreeable, because all their lives would be affected. At this stage plans could be prepared for the construction of buildings within the open space close to this block development. The local authority concerned should also receive some recompense to meet the cost of developing and upgrading in the future the facilities in the area. As a result of the large number of people who would be residing there, better roads, extra shopping facilities, development of playing fields, and all sorts of community services would be required.

These matters I have raised concern an area within my province, not far from where I live. In the Perth Shire

a town planner is employed. He is a man who, in my view, has been responsible for the upgrading of development within that district. I have seen some extremely attractive flat developments which are the result of his insisting on a reasonable standard. I feel that this can be achieved only by the employment of a town planner by any shire or council. Within Perth Shire ribbon development has been discouraged—that is, shops being spread out along a road—and encouragement is given to shopping areas built as a complex.

The proposed development at Karrinyup is, I feel, a remarkable tribute to the persistence of this town planner in insisting on reasonable standards of development. Frequently, of course, I have had occasion to quarrel with the requirements he has laid down, as have many other people, but very often the acceptance of his standards has paid dividends. However, there is one instance which is the antithesis of this policy. On Tuesday last I asked a question on what parking standards were laid down by the Subiaco City Council for commercial development. This development has followed the upgrading of a hotel situated on one of the corners of the intersection of Nicholson Road and Derby Road, Shenton Park. When I visited the area recently on a Saturday evening it was almost impossible to move along the streets because of customers parking on the streets in the vicinity of the hotel. I understand the hotel will now provide land that can be used for customer parking, and I hope that is correct.

The appearance of this hotel, which has been upgraded, is extremely good. I have no quarrel with that, but on the north-eastern and north-western corners shops are situated, and approval has also been granted for the development of the south-western corner. As a result, customer parking has been generated along the two streets which form this intersection. For some years I have been of the opinion that this is not the proper sort of development, particularly if off-street parking facilities are not provided, and I have not been able to find such facilities at this particular intersection.

In answer to my question I was told that the Subiaco City Council applied certain standards for car parking requirements. In considering commercial development, the parking standards required by the Subiaco City Council are that one car space shall be provided for each 200 sq. ft. of shop floor area. I believe that in Cottesloe, where the area of land for development is half an acre and above, the standard laid down is one car space for each 135 sq. ft. of shop floor area, and for an area of land that is below half an acre the standard is one car space for each 270 sq. ft. of shop floor area.

In the Shire of Perth the standard laid down is one car space for each 100 sq. ft. of shop floor area, which means that the space required for parking is twice as much as that required by the Subiaco City Council. The Shire of Perth, for commercial development, also requires that there shall be provided one car space for each 300 sq. ft. of floor space area. In those places where the streets are the normal width of 24 feet and there are no off-street parking facilities, it seems completely wrong that this type of development approved by the Subiaco City Council should be allowed to proceed. Further development on the four corners of any intersection should not be permitted without a condition being laid down that sufficient customer parking space shall be provided.

I feel that the congestion of cars near the corner of an intersection can only be the result of the lack of town planning by any shire or council. I understand it was also proposed to extend commercial development westwards along Nicholson Road and Onslow Road. If this were done a strip of shops would be constructed all the way along those roads. Such a situation is not convenient for shoppers. The shopping areas become congested, and customers have to cross from one side of the road to the other. This creates a traffic conflict between cars and customers.

As I have said, I am surprised that permission was granted to allow this type of development at this time. The approval for the commercial development on the corner of Nicholson Road and Derby Road was granted on the 4th July, 1969, which is a fairly recent date. I dislike to criticise, Mr. President, but if you are familiar with Shenton Park you will know there is an extremely attractive lake near the shopping area about which I have been speaking. It is called Shenton Lake. In 1961 I used to travel down this road to the University and at this time one could only regard it as unkempt swampland. What has been accomplished on that side of the lake has to be highly commended. Reed islands have been formed in the centre of the lake and these provide a haven for birds. It is an extremely pleasant area in which to spend some time, and it is a most desirable district in which to live.

I know one woman whose home overlooks this lake and she has been most vociferous in voicing her objection to what the Subiaco City Council has proposed at various times which, in her opinion, would mar the locality as a residential area. I feel there is a good deal of truth in what she has said, although one may not agree with all of her comments.

Partly as a result of this type of planning, and some rearrangement of the traffic passing through the Selby Street subway, a large number of vehicles flow up

and down, in a north-south direction, in this particular region and this does not make living in the district any more enjoyable. However, I do not wish to labour that aspect at this particular time.

I now wish to refer briefly to the Stephenson freeway. I asked a question about the progress of the freeway across the Wembley Downs golf course, but this is not the only open space across which it will be constructed. It will go through the Herdsman Lake area and the Perry Lakes area south of that. This follows a pattern of development that, if a road is required to travel in a particular direction, it is much cheaper to construct on open space than to resume privately-owned properties in order to prepare the route of the road. I will not suggest that this is the fault of the present Government alone, and that a Labor Government would do anything different.

I feel we would be equally to blame, but that does not make the matter right. The city has become a rather noisome place in which to live, and it is time that we rated more highly the open spaces we still possess. It is difficult to equate them in terms of dollars and cents, because it is harder to see the connection between the breakdown in the health of the people and the development of neurosis as a result of congested living in the city and suburbs, than it is to determine the cost of constructing a road through private land. These are costs which we must try to evaluate when a decision is made on where a road is to be placed.

Finally, I want to refer to a subject that has caused many words to be printed in the Press. A few weeks back a headline appeared in a newspaper which indicated that a certain member of Parliament would introduce a Bill. I wish to make a few comments on this matter. Among the issues connected with this subject are conscience and the freedom of the individual. In this respect it is interesting to refer to the booklet *I.P.A. Review* which has as its aims the following:—

1. To inform the Australian public of the facts of our economic system and to raise the level of economic literacy in Australia.
2. To work always for a full and friendly understanding between employers and employees and for good relations throughout industry.
3. To study the means by which private business enterprise can be made to operate better in the interests of all sections of the Australian people.

In the editorial of the April-June issue of this booklet reference is made to the freedom of the individual and the growth of government in a modern democracy. It suggests that the individual is likely to be

swamped in the growth of Government departments. Within Western Australia, for instance, Government employees increased in number from 49,100 in 1964 to 56,600 in 1968; or an increase of 7,500 in those five years. It also suggests that we must keep a watch on the Government, otherwise we will lose our individual liberties.

I quote from one article which appeared in that booklet—

No wonder the ordinary person feels his remoteness from government, and despair at his inability to affect what is done, presumably on his own behalf!

What, then, can be done to restore the reality of democracy?

Another article which appears in this publication is titled "A Great Book." It reviews a book titled *The Spirit of Liberty* written by Judge Learned Hand. This seems to be an appropriate name. He is an American jurist, and is regarded as being a proponent of individual liberties in these times. The article points out that the reader will learn more about the true meaning of our western democratic way of life from this book than he can from 1,000 political treatises. This may or may not be so, and I will not pass any judgment on this contention. All I am doing is referring to the article. One quotation in the article is—

The spirit of liberty is the spirit which is not too sure that it is right.

In other words, it is not too dogmatic. There is one definition of a dogmatist which states that dogmatism is like concrete—all mixed up and permanently set. The quotation continues—

The spirit of liberty is the spirit which seeks to understand the minds of other men and women; the spirit of liberty is the spirit which weighs their interests alongside its own without bias.

Here we are concerned with the duties and the rights of a member of Parliament. On the other hand, we have a vast Government machine which is administering the affairs of our country. We agree this is necessary, because it is more efficient to administer the affairs in that way. We need to create laws that will govern the affairs of the community as fairly as possible, with due regard for individual freedoms and for the liberties of the people.

I have supported the passing of a law to liberalise the existing law on abortion for this particular reason. I supported the Bill which was sponsored by Dr. Hislop and introduced in this Parliament, but this is not the sort of law which I myself would introduce. Despite what the newspapers might say I would not introduce that sort of Bill in this Chamber, because if I did I think it would suffer the same fate as Dr. Hislop's Bill: it would be so vastly reduced

that it would not be of any use at all, although it might clarify the law. To the extent that the law becomes more restrictive than it is at present, it does not increase individual liberties or the freedom of conscience of the people.

In order that the public might know the sort of Bill I would desire to bring before Parliament—I do not propose to do so at this stage—I have prepared a sample. I will quote the legislation in order that comment may be made upon it. In brief, the idea is that we repeal the existing law on abortion—sections 199, 200, and 201 of the Criminal Code—and then provide certain safeguards so that abortions can only be performed by qualified medical practitioners in licensed hospitals.

With the forbearance of the House I would like to read out what such a Bill looks like. Clause 1 would be the short title of the measure and would mention the various Acts affected. The other clauses would read as follows:—

2. Section one hundred and ninety-nine of the Code is repealed and re-enacted, as follows—

199. (1) No abortion shall be performed unless:—

(a) such abortion is performed by a person registered as a medical practitioner under the Medical Act, 1894; and

(b) such abortion is performed in a hospital which is a public hospital within the meaning of the Hospitals Act, 1927, or a private hospital registered as such under the Health Act, 1911.

(2) In this section "abortion" means an operation to intentionally terminate the pregnancy of a non-viable foetus.

(3) Any person who knowingly contravenes this section is guilty of a crime and is liable to imprisonment with hard labour for five years.

(4) Nothing in this section shall require any hospital or any person to participate in such abortion nor shall any hospital or any person be liable for such refusal.

(5) This section shall not affect the operation of section two hundred and fifty-nine of this Code.

3. Section two hundred of the Code is repealed.

4. Section two hundred and one of the Code is repealed.

Various points in the proposed legislation might need to be altered, if I am to introduce it in this Chamber.

I am not too sure how the definition in clause 2 (2) will be applied. This is the provision in the Hawaiian legislation, and no complaints have been raised over the way in which it has operated. The legislation does not cover the case of a viable foetus, because at this stage it is an operation of a type that should be performed only by a qualified medical practitioner. This is one of the matters that might have to be taken up in a public discussion.

I have largely given the thinking behind the proposed legislation. In my view we cannot legislate for the conscience of the people, and we cannot decide how people will conscientiously feel about these matters. The question of pregnancy is a very personal matter; and if it is to be discussed outside of the husband and wife relationship then it should be discussed at the doctor and patient relationship level. It is not the duty of the Government to interfere in these matters at all.

I could list other reasons such as that of a compulsory childbirth, which is what the present law dictates, but I do not want to go into that aspect now because it has been covered at other times.

The Hon. S. T. J. Thompson: Why don't you intend to introduce a Bill?

The Hon. R. F. CLAUGHTON: For the reason I have already stated. I feel that a Bill on the lines of that presented by Dr. Hislop would be so reduced that it would not be worth while. The suggested Bill is wider than that. Dr. Hislop's Bill was not accepted on two occasions.

The Hon. S. T. J. Thompson: Circumstances have altered since then.

The Hon. R. F. CLAUGHTON: Have they altered that much; there is still the same membership in this House?

The Hon. A. F. Griffith: You surely do not expect us to swallow what you are saying. You voted in favour of the first and second readings of Dr. Hislop's Bill, and then voted against the third reading.

The Hon. R. F. CLAUGHTON: It was a different Bill.

The Hon. A. F. Griffith: Goodness gracious me.

The Hon. R. F. CLAUGHTON: The Minister knows very well that I supported Dr. Hislop's last Bill at the second reading stage, but when the powers of the Bill were reduced I no longer voted for it.

The Hon. A. F. Griffith: I am amazed at your acrobatic attributes.

The Hon. R. F. CLAUGHTON: The Minister is very much aware of the reasons. I thank you, Mr. President, for bearing with me for so long, and I conclude by simply saying I support the motion.

THE HON. L. A. LOGAN (Upper West—Minister for Local Government) [8.32 p.m.]: I am indebted to Mr. Willesee for raising the question of tribunals, and referring to the newspaper articles during his speech on the Address-in-Reply because I believe that this is the correct place for me to make some comment; not in the mass media nor on television as I was requested to do when the President of the Chamber of Commerce made some comments which were published in the Press.

The only part of the leading article in the Press which made sense to me was the reference to the fact that I did not create the present system. Parliament created the present system and, therefore, in my opinion this is the right place to talk about it.

A little over 11 years ago I took an oath as a Minister to carry out my duties without fear or favour, and in a manner for which I could answer to Parliament. I think I have done that. It seems strange to me that supposedly intelligent people, after reading the headline in a newspaper, rushed into print without even taking the trouble to find out whether the headline was consistent with what was contained in the body of the report, or if the report contained any facts. The headline was "Logan sees no need for appeal body." I might mention that what was printed was the result of a half hour discussion with representatives of *The West Australian* and the Australian Broadcasting Commission. The article, in part, read as follows:

Mr. Logan said yesterday that he had studied town-planning appeals systems in various parts of the world. As far as he could see none was better than the system in W.A.

This provided a statutory town-planning board dealing with applications for subdivisions and a right of appeal to the Minister.

To create an appeals tribunal would mean setting up one statutory body to override another.

Where in that article have I said I would not take any action whatsoever to set up some type of tribunal or appeal system? That has not been said, and nobody can read into the article that that is what I said. The first couple of lines in the article supply the answer. It states that I would consider the employment of one or two inspectors to assist me.

If the people who criticised had kept up with the times and made some inquiries they would have known I was referring to the appeal system of Britain on which I commented when speaking on television before I went away. That is what I referred to, whether the Press stated it or not. I was referring to the appeal system which has been operating in England for some time with apparent success. How

anybody got the idea that I said I would not take any action whatsoever, when I said I would take some action, I cannot understand. I cannot understand the intelligence of those people when they rush into the Press and make statements such as those which have been published.

There also seems to be a sameness about the approach of those who have criticised. I do not know whether or not it is accidental, but every one mentioned a judicial or legal tribunal. Nowhere in the world did I find anyone advocating a judicial tribunal. To the contrary, the authorities in other parts of the world were getting away from tribunals as fast as they could. Even the tribunal in Australia on which so many people seem to hang their hats—the Land and Valuation Court of New South Wales—has had most of its appeals taken away from it and given to other people. The reason is fairly obvious because there is very little law in town planning. Town planning is mainly a matter of principles and policies.

The tribunal in South Australia has had the right to go to the Supreme Court on any matter of law, but it has not done so. The tribunal in Victoria has had the same right to take any matter of law to the Supreme Court, and it has had one case out of all the appeals it has handled. This is the reason the tribunals which have been set up are gradually getting away from the idea of a judicial body.

I know some people will not believe me but perhaps they will believe the Minister for Local Government and Town Planning in Victoria. I mention that Mr. Hamer is, himself, a lawyer. At a discussion in Brisbane, about a month ago, during the conference of Ministers for Local Government, the following is what Mr. Hamer had to say about judicial or legal tribunals dealing with town planning:—

I should like to make it clear that I would agree with Mr. Logan that you cannot let out of the Minister's control the over-all planning. That is to say, you cannot pass off to the tribunal questions of amendments to the plans and rezoning in that sense. You have to keep control of that. Within any approved scheme, there are normally a whole set of conditions and consents and so on which are administered by the planning authority whether it be the local council or sometimes a higher body. If it is within their discretions you have to have this right of appeal, otherwise the planning authority simply sits there and a great deal of unrest occurs. We do not contemplate a tribunal taking over as a planning authority at all, but we do contemplate that where there is a dispute within the bounds of an approved scheme where there are discretions to be exercised, there should be some higher level of review.

There are good reasons why a court is not a very good forum for these sorts of appeals. First of all, they usually take a fair while and they are fairly expensive but, most important, they have to decide on evidence and the rules of evidence apply. It is important in town-planning matters, firstly that the tribunal be accessible quickly, secondly that it should be cheap, and thirdly, that it should be informal so that Mrs. Housewife can come along and say her piece. She will have an opinion; she will not have any facts and she would be barred in a court of law because she is not an expert witness, but very often these town-planning matters have to be decided very much on what the ordinary citizen thinks, feels and wants. For this reason, we feel that the court of law is not as appropriate in this sort of matter as a tribunal which is free from legalities and which ought to be quick, cheap and informal.

I will now come nearer to home and refer to an incident which took place locally. It has been my responsibility, and I have taken the action on more than one occasion, to appoint persons to hear appeals on my behalf. I refer to persons who are well respected in the community. I will read an extract from a letter which was written to me by a shire. It reads as follows:—

Recently officers from this Council were present at an Appeal lodged by the above applicants regarding the subdivision of land . . .

As a result of a report submitted to Council by the Officers concerned, the Council has resolved to lodge a strong protest to you, as Minister, for the legal way in which this Appeal was heard. The applicant was represented by efficient legal advice and the Appeal therefore was conducted like a serious court case. The Council resolved that its Technical Officers should not be subject to such a situation . . .

It was further considered by Council that Appeals of this type should be restricted to the facts and evidence being put forward by technical people. As the final decision on the Appeal would be made as a result of recommendations passed to you by your Advisors, it was considered that any questioning to further clarify the facts should be carried out by your Advisors and not by a Solicitor who has no knowledge of the technicalities involved.

It is my personal opinion that where matters of Council policy and decision are concerned, an issue cannot be debated with court room procedure.

So we see that this attempt to set up judicial tribunals would not meet with a great deal of favour so far as most people

are concerned. Even a submission made by an organisation went so far as to ask for the same thing, or almost the same thing. The submission recommended that the chairman of the tribunal should be legally qualified and eligible for judgeship; that is, a judge or a legal practitioner of seven years standing should be appointed as chairman. Another recommendation was that in addition to the chairman the tribunal be composed of two independent members who shall be persons of integrity and ability, excluding civil servants.

So much for the judicial system. Let us now look at ordinary tribunals, and some of their experiences. Some years ago New Zealand set up a tribunal which got so far behind in hearing cases that a second tribunal had to be set up. The appeals then got so far behind that a third tribunal had to be set up at terrific cost to the Government of New Zealand. That country is still six months behind with its appeals, despite the three tribunals.

Victoria amended its legislation in 1968, and has set up a tribunal. Appeals to the tribunal in Victoria are very limited; it does not hear appeals on subdivisions, which constitute at least 90 per cent. of the appeals in Western Australia. There is one single arbitrator in Victoria to deal with appeals on subdivisions. The tribunal was set up in 1968 and it has got so far behind that a second one has been set up. That is the experience of Victoria. The tribunal in New South Wales got so far behind on subdivisional appeals that they were taken away from that body. Appeals against interim development have been taken away and are now in the hands of the State planning authority of New South Wales.

It would appear that it would be very costly to set up a tribunal with a judge and two \$10,000-a-year men. It would cost at least \$35,000 a year to set up one of these tribunals, and to what advantage? One of the submissions went so far as to say—and Parliament might be interested in this—that the Minister for Town Planning should be the first recourse for appellants with the right of free appeal to the tribunal if dissatisfied with the Minister's decision. I ask members whether Parliament would agree to take away from a Minister the final decision? After all, the Minister is responsible to Cabinet and to Parliament, and to put the decision into the hands of three men who are responsible to nobody would be ridiculous. Yet that is what we would be doing if we appointed a tribunal as has been suggested.

The same submission goes on to say that strata titles ought to be dealt with by the tribunal and not by the Minister for Local Government. Since the Strata Titles Act has been in force I have dealt with 18 appeals, and nine of them were from the one shire. The shire refused to sign the title certificate because there was not a washing machine in each unit. One appeal was because a certificate would not be

issued as the setback was 29 ft. 6 in. and not 30 ft. One appeal was in regard to a side boundary clearance which was 3 ft. 5 in. and not 3 ft. 6 in. Another one was because the side boundary clearance was 2 ft. 11 in. and not 3 ft.; and three others were of such a minor nature that they were not worth worrying about.

Yet some people and organisations want the Government to set up a tribunal comprising a judge and two other people who would both be on a salary of approximately \$10,000 a year. Those people would be sitting in judgment on appeals such as I have just described. That is what is being asked for. Surely it would be absurd to think that a judge, with his qualifications, and two other men should sit in judgment on appeals such as those to which I made reference. Yet that is what the organisation in its submissions asked for.

I was going to quote what Mr. Adams had to say to see how truthful it was, but I have lost the newspaper cutting. He said in effect that the Minister was making his own rules; that he did not give an individual the right to be heard; that I made decisions in conjunction with my own departmental officers, in my own office. I do not have to look very far around this Chamber before I see members who could prove that that statement is not correct. I get telephone calls at my home; I get telephone calls in my office; I have appellants coming to my office to see me; and I go out to see them to discuss their problems. I get many people coming into my office; many of them talk to my private secretary who spends many hours of his time discussing the problems some people are up against. Very often if the husband cannot come into the office he asks his wife to do so, and hours and hours are spent trying to help people and give them advice on how to go about things.

Over the 11 years I have been Minister, how many members of Parliament have come to me, either at my office or at Parliament House, on behalf of some of their constituents? I do not think there is one member of Parliament who has not done that at some time or other.

The Hon. W. F. Willesee: They have no other redress, have they? They have to come to you.

The Hon. L. A. LOGAN: That is quite true, but I am being accused of not listening to anybody—of not giving anybody a go. If a tribunal were appointed a member of Parliament would still be able to appear before it, but he would be able to give evidence on planning principles only. He would not be able to go to the tribunal and put up a case on compassionate grounds; he would not be able to put forward the fact that a case of hardship was involved, because a tribunal cannot work along those lines.

If members do not believe me we will see what the position is with the Land and Valuation Court of New South Wales. Under the heading of "Principles and Practices followed by the Land and Valuation Court in Planning Appeals" from *Starke's Town and Country Planning in New South Wales*, by J. G. Starke, the following appears:—

1. The court must be guided by the terms of the particular Planning Scheme Ordinance, pursuant to which the responsible authority has purported to refuse an application.

2. The court declines to exercise a supervisory role over the scheme preparing functions of a council. It is not for the court to enforce its own view of what the provisions of the scheme should be, indeed, the function of preparing a planning scheme is in essence of a legislative character involving considerations of policy and finance and therefore should be free from interference by a court.

3. The court does not regard itself as being expert in a superior way in the field of town planning nor to sit in judgment, so to speak, on town planning decisions. The court will not as a rule allow an appeal from the responsible authority if the matter is fairly debatable and a view adopted by the responsible authority was one reasonably open to it merely because the court might be of a different opinion, provided of course that the responsible authority has not taken into account irrelevant matters or omitted to have regard to relevant matters and that it has not been influenced by extraneous motives.

All the above principles are derived from actual cases decided by the Land Valuation Court of New South Wales.

There are one or two other points, but it is not necessary to read them because they are along exactly the same lines.

Now let us have a look at the set-up so far as Western Australia is concerned. There is no other place in the world—and I say that advisedly—that has a system such as ours, with a Town Planning Department dealing with all subdivisional appeals and making all the decisions and recommendations to the Minister in regard to town planning and zoning. The Province of Transvaal, in South Africa, probably has the system closest to ours. In that country there is a board of 12 but there is no right of appeal to a tribunal.

The appeals to which reference has been made would be in relation to decisions made by the following gentlemen:—

Mr. J. E. Lloyd—

Town Planning Commissioner
Appointed 18th August, 1959—
Chairman

Member Town Planning Institute
Fellow Australian Planning Institute

Mr. V. L. Steffanoni—

Appointed 1934
Fellow Institute of Surveyors
Fellow Commonwealth Institute of Valuers
Member Australian Planning Institute

Mr. J. B. Fitzhardinge—

Appointed 1st February, 1966
Member British Empire Efficiency Decoration
Fellow Royal Australian Institute of Architects
Associate Royal Institute British Architects
Member Australian Planning Institute

Mr. A. E. White—

Appointed 1st February, 1966
Bachelor of Arts
Associate Australian Society of Accountants
Associate Chartered Institute of Secretaries

Can anyone tell me someone who would be more capable of making decisions than those four men? Only one of them is a departmental officer.

Now let us deal with the last part of the editorial in *The West Australian*. It stated—

In town-planning and local-government appeals what matters most is not the procedure which suits the Government or a Minister but that which recognises the rights of individuals.

Let us remember that small paragraph and the reference to the rights of the individual. Nowhere in the world could I find a tribunal which gave more than approximately 25 per cent. of its judgments in favour of the appellant. As a matter of fact, a figure of 25 per cent. was the exception rather than the rule. Now let us have a look at the situation in Western Australia. In all, in the 11 years during which I have been Minister up to the 31st July, 1970, a total of 1,644 appeals have been adjudicated upon. Of this number 634 were upheld without any conditions; 311 were upheld with conditions; and 699 were dismissed, making a total of 945 in favour of the appellants and 699 against. If we work out the figures on a percentage basis we will see that there were roughly 57 per cent. in favour of appellants and 43 per cent against them.

Who is looking after the rights of the individual might I ask, in the face of those figures?

The Hon. J. Dolan: Couldn't the decisions be wrong?

The Hon. L. A. LOGAN: Whose decisions?

The Hon. J. Dolan: The percentages you quoted. I am not being critical, but couldn't the decisions be wrong.

The Hon. L. A. LOGAN: Of course I could be wrong. However, if I was wrong, and the other fellow was right, the percentage would not be in favour of the appellants.

The Hon. J. Dolan: That is so.

The Hon. L. A. LOGAN: I am not saying I am right because I have made the decisions not on planning policy or planning principles; I have made my decisions on compassionate grounds, the grounds of urgency and hardship, and for family reasons. But no tribunal could do that; it must stick to the rules, as I am trying to point out. I think the public ought to know this because I am accused of all sorts of things. The public ought to be told the truth of the situation.

Mr. Rumble said, "How can Mr. Logan go for a quick run around the world and learn all about the position?" What a ridiculous statement! Does he think that I went around the world without having a look at the situation before I went? I have had all the information in my office for the last four years. I have studied it over that time and all I had to do was to examine the position when I went overseas to prove what I felt about it. What I found only backed up what my studies of the position indicated. Yet men who make the statements to which I have just referred are supposed to be men of intelligence.

I said before I went away that I would have a look at the position in England, and I did. I met Lord Dunnett and his officers and I discussed the position with them. Immediately I found a flaw in the English set-up so far as appeals are concerned; because there were certain delays in the procedure, and that should not have been so. However, I still think a modified British system is the best to adopt so far as Western Australia is concerned; that is, to have inspectors appointed under the Minister, divorced from the department, who can go out and listen to the appeals, inspect sites, and so on, and then report back and make a recommendation to the Minister. Under such a system the Government does not lose control of the situation. If the Minister wants to vary a decision of an inspector he has to give very good reasons for doing so.

That is exactly what happens so far as England is concerned and I understand it is a system which has worked quite satisfactorily. Admittedly, the numbers over there are so great that it is necessary to have a large number of inspectors under a senior inspector. This, of course, creates

delays, but I am perfectly satisfied that with the appointment of three inspectors on a part-time basis we would have a good system for Western Australia. It would not be necessary to appoint the inspectors on a full-time basis, because under the present system, there would not be enough work for them to operate full-time, and there is no need to appoint more than three.

If three part-time inspectors cannot go out, hear appeals, and make recommendations to the Minister, I think there is something wrong. As I said, I have used people on more than one occasion—on many occasions—and they have made recommendations to me. That is my right as Minister.

The Hon. F. R. H. Lavery: If a tribunal were established it would not be expected to inspect properties in the same fashion as you or the officers of your department do.

The Hon. L. A. LOGAN: That could be laid down. I do not know how we would get on in the case of an objection in Wyndham or Esperance. I do not know whether or not the Minister would be expected to attend. When I talk about the Minister, I am not talking about myself. I well remember the late Gil Fraser did exactly what I do; that is, go out on weekends when one gets behind. Mr. Wise probably did the same thing during the period he was Minister.

The Hon. F. R. H. Lavery: He did.

The Hon. L. A. LOGAN: I am endeavouring to live up to the promise made by the Premier at the last election: that he would look into an appeal system which would be workable as far as this State is concerned. I have done just that; I have made inquiries and I have completed my examination. As far as I am concerned this seems to be the right approach. It is necessary to go out, meet the people, conduct an appeal hearing if the people want it, make a decision, and then make a recommendation to the Minister. I can see nothing wrong with that system.

Of course, one of the problems will concern the fellow who wants to appeal and cannot get the day off from work. If we appoint a tribunal and it sets a date for the hearing, that fellow would either have to lose a day's pay, or not attend the hearing. I think that problem will be overcome under the system I have suggested.

The Hon. I. G. Medcalf: What you are saying is that one man is better than three.

The Hon. L. A. LOGAN: Yes, in this regard I do think that is right; certainly it is much easier. Remember what Mr. Hamer said—that it should be "accessible quickly, cheap, and informal."

The Hon. I. G. Medcalf: I said that last year when I discussed administration law.

The Hon. L. A. LOGAN: I know, but the honourable member tried to work in a tribunal, and tribunals do not work.

The Hon. I. G. Medcalf: When you refer to a tribunal you are talking about a court. It does not have to be a court.

The Hon. L. A. LOGAN: As I told the honourable member a little while ago, the Victorian tribunal got so far behind within two years that another one had to be appointed. In New Zealand I was told that three tribunals do the work and they are still six months behind. If we appointed three members, they would be sitting around doing nothing at the beginning; and how could we expect three to go out and listen to the people. I do not think that system is workable and I do not think we want to get to the stage where an individual will have to pay to make an appeal. Up to date it has not cost the individual anything unless he obtained the services of a solicitor. He has the right to retain a solicitor if he wants one, and some people have made use of that right. However, I can show members a copy of evidence given which would make them scratch their heads and wonder why a person ever put forward such evidence.

In New Zealand today the situation is that four or five solicitors have set themselves up as expert defenders in town planning appeals at \$50 a time, and the tribunals are still six months behind. These people go along one day and advocate a principle for one client, and next week on behalf of another client, they advocate an entirely opposite principle.

The whole basis of an appeal system in Western Australia is entirely different from any other, and we have to examine all the factors before we make comparisons. I can assure Mr. Rumble that I had a look at the whole system before I went overseas. The Premier made a promise and, as far as I am concerned, it will be honoured. However, I do not think the Government should be told by some people how it should be done. I think we should do it in the best interests of the community and the people who will be concerned with it.

Mr. Willesee raised the question of the airport and the surrounding area. I appreciate that he agreed the airport could not be shifted under the present circumstances. However, he said he was concerned about the individuals, but in my opinion they think the only way they can be helped is for the area to be rezoned industrial so that the Commonwealth will have to pay the increased valuation.

The Hon. W. F. Willesee: I said that the Commonwealth should take them over.

The Hon. L. A. LOGAN: It is not possible. I have spoken to Mr. Bowd of the Commonwealth Department of Civil Aviation on this matter as a result of Mr. Willesee raising it. I am satisfied that if

there are any hardship cases the properties will be purchased as soon as funds are available. I am certain that hardship cases will be treated with all due respect.

The Hon. W. F. Willesee: I think the operative word is "hardship."

The Hon. L. A. LOGAN: The honourable member must remember that some of the people are speculators.

The Hon. W. F. Willesee: I agree.

The Hon. L. A. LOGAN: The people who have speculated in the area deserve to get their fingers burned. I can assure Mr. Willesee that the genuine cases will receive satisfaction from the Commonwealth.

THE HON. N. McNEILL (Lower West)
[9.07 p.m.]: Earlier in the debate we heard reference made to a number of matters concerning primary industries, and I would like to refer in passing to one or two of those comments and, in particular, to those made last evening. Firstly, some remarks were made by Mr. Perry on the subject of the operations of the tariff system. I was very pleased to hear him express himself so clearly and at such length in opposition to the tariff system, which operates with some severity against the interests of the primary industries. I say I am glad he did this because I welcome his support. Along with other members, I believe, I have been endeavouring to direct attention to this problem for quite a deal of time. However, in saying that, I do not mean to suggest that I am necessarily a free trader, nor am I opposed to the operation of the tariff system.

What I do say is that one must be aware of the great value the tariff system has been to the entire Australian economy. When I say "entire Australian economy" I mean that to definitely include the primary industries. Although at the moment those industries are certainly paying the price in terms of added costs, which have been contributed to by the operation of the tariff system, they have without doubt benefited to the extent that the tariff system has brought about a greatly increased population and a great increase in our secondary industries—manufacturers and so on—which have contributed to the economy both in terms of numbers of people and the flow of money; so that a rapidly increasing domestic market for primary produce has been built up in Australia.

I hate to think what would have been the situation in this day and age had we not had the secondary industries and manufacturing companies operating. I hate to think what would have happened to our primary industries had it not been for the operation of the secondary industries, especially from the point of view of the creation of a better balanced economy. I think reference has been made to the fact that our primary industries account for

in the vicinity of 60 per cent. of our total exports. I agree wholeheartedly with other speakers that this is a good result.

We must remember just how important are the primary industries. At the same time let us look at the situation as it exists, and I will instance two or three cases. I mention firstly an industry which I believe I understand a little; namely, the milk industry. I am quite sure that had it not been for the great development of the State, the milk industry would be in much the same position as, if not worse than, that presently being experienced by the wool and wheat industries. I suppose the milk industry is probably the most profitable primary industry at the moment. At least we can be thankful that this industry is not sharing the depression which, for various reasons, is shared by the wheat industry, the wool industry, and so on.

I think we must acknowledge the very great benefit which we obtain from these things. Of course, we must not forget the development of secondary industry and big manufacturing concerns which are, in the words of the economist, highly capital intensive. All this contributes to a high cost factor, and at the same time makes for a rise in living standards and a more rapid flow of money. All this contributes to an increase in the cost of production to be shared not just by the primary industries, but by all people. At the same time it contributes to an increasing cost of living which, once again, is borne by everybody throughout the entire community. From other comments that have been made, perhaps it might well be said that this increase is most keenly felt by those on fixed incomes.

A further comment was made in relation to the operation of manufacturing industries, and I think the comment was in connection with the controversy which at present surrounds proposals for the creation of a single authority to administer the wool industry. The view was expressed that the manufacturing industries control the market, and I hope I have quoted it correctly. Surely an opportunity should be given to the primary industries to do likewise.

I am not sure that I agree that it is necessarily true that the manufacturing industries control the market. By way of an instance, I would mention what is perhaps not a manufacturing industry, but a processing industry within my electorate. I refer to the alumina refinery being constructed at Pinjarra by Alcoa. This industry was the subject of a debate in this House within the last 12 or 15 months.

As I understand it, that particular industry does not control its market. What it did, however, was that as soon as it had an agreement on which it could work, and before it turned one piece of dirt in the Pinjarra region, it found markets for

its product and, having done so, with adequate guarantees for the future it was able, presumably, to write a contract to supply all those markets for the foreseeable future to ensure some profitability. Having done this it was prepared to go into production to produce a product to supply that market.

I do not believe it is controlling the market. What in fact it is doing is, of course, producing for a market. If we could relate my previous remarks to the wool industry, and we reached the same stage in the wool industry in Australia and Western Australia, I believe that that industry in itself would not be the worry it is today.

It may well be that if certain suggestions were carried out in connection with the operation and administration of that industry, perhaps such a single authority would have the power to do that very thing. It may well have the opportunity to operate in the export field in the manner that I have already instanced.

The Hon. E. C. House: Are you in favour of a single marketing authority?

The Hon. N. McNEILL: Which single marketing authority is that? I have said that if the single authority which is proposed could perform the functions I have instanced, I believe it would do a great service to the wool industry. It has also been indicated by way of criticism that when one examines the proposal with or without powers of acquisition of the authority, and having done so one is not in favour of it, one is then accused of being antagonistic to the interests of the woolgrower.

I am not sure that I quite agree that this is the correct interpretation, because after all people can be constructive while being critical of proposals which may be put forward in the best interests of the industry concerned. They may well wish to examine very closely the proposals put up, to ensure that the interests of the woolgrowers of Australia are being well and truly protected.

The other night I interjected while Mr. House was speaking and I used the name Mr. Bruce Wright. I do not know whether he will be right or wrong in his assessment.

The Hon. J. Dolan: He must be right!

The Hon. N. McNEILL: I do not know the reasons he would have for making the statement that was reported a week ago in the weekend Press. What I do know, however, is that he is president of a great woolgrowing organisation in Australia—The Australian Wool Growers and Graziers' Council—which represents a great body of opinion. I do not know whether he is right in his assessment of this situation but surely whatever he says must be directed towards the best interests of woolgrowing generally.

This is a subject of tremendous importance to Australia not merely at the moment but for all time in the future. So if decisions are made we must ensure that they are the correct decisions. Ample opportunity must be given, in the interests of the growers, for an objective examination to be made. Accordingly, any comments made on such proposals should not necessarily be considered to be antagonistic to the woolgrowers. This would quite clearly be a wrong construction to put on the matter.

Some other comments were made in relation to the subject of tariffs and it was said that steps could perhaps be taken to compensate for, or offset, the effect of tariffs on costs of production. If the level of protection afforded by the tariff system is wrong, inasmuch as it is too high and appears to be a burden on some sections of industry, I do not think it can be put right by compensating the other industry. This must place an undue burden on the taxing system; on the people who ultimately pay. Two wrongs do not necessarily make a right.

I take some small amount of credit for the new proposal that has been put forward suggesting that the Federal Government establish a rural industries board which could make appropriate recommendations in respect of primary industry. I notice some public examination has been made of this and the idea is to have a rural industries board vested with the appropriate powers equivalent to those enjoyed by the Tariff Board; a board which would also be given facilities equivalent to those made available to the Tariff Board so that it would conduct its hearings in the same way and make a report on its findings to the Federal Parliament in the same way as does the Tariff Board.

This would make completely public the examination of perhaps the economics of a primary industry, or a section of primary industry, and recommendation would be made as to how such a situation might be improved upon. Finally the matter would be brought before the notice of Parliament and if the recommendations could be carried out they would be adopted by the Government.

Perhaps the operation of such a board could well and truly obviate the need for tariffs and subsidies which may not always be economic or in the best interests of those they are designed to help. I would like to make some comment later on the question of subsidies.

I have taken a little time to discuss these subjects because I believe they are important. I also believe that some further discussion could take place on them.

A subject on which I would really like to touch for some time tonight is the dairying industry of Western Australia. In examining and making some comment upon this industry, perhaps I might be

able to suggest how we can improve the lot of those who in fact are involved in what is a very important Australian and Western Australian industry. To say the least, the dairying industry in Western Australia has had a rather chequered existence. By tradition unfortunately it seems to be regarded as a somewhat depressed industry. This is most unfortunate because I do not support such a view at all. I do not think it should necessarily be regarded as a depressed industry. Such a description does not do justice to the great many farmers—and very good farmers—who have built up a most valuable and prosperous enterprise. I do not think such a description does justice to the dairying companies—and there have been some 20 or more—in Western Australia which over the years have greatly helped to pioneer the dairying industry in this State, particularly in the south-west and who have also assisted in decentralising the population throughout the south-west.

To call the dairying industry a depressed industry does it less than justice, particularly in view of the great contribution made by the industry to the gross production of Western Australia and also to its export income. The *Western Australian Year Book* for 1970 shows that for the year 1967-68 the gross value of production in the dairying industry was \$24,000,000.

I daresay it would be remiss of me if I did not make some reference to the history of the dairying industry; if I did not acknowledge the part played by some of the very prominent farmers—both past and present—in Western Australia; of the part played by departmental officers, particularly in the dairy branch of the Department of Agriculture; or if I did not mention and acknowledge the part played by the dairying companies, their proprietors and managers who have really taken a most active part in furthering the industry.

In particular I think we must acknowledge the part played by a former Premier and Governor of Western Australia—I refer, of course, to Sir James Mitchell and his magnificent endeavours and to the help he gave both personally and through the Government to provide in Western Australia a self-sufficiency in dairy products. Sir James also assisted the promotion of the dairying industry, particularly after World War I when the Group Settlement Scheme in Western Australia was commenced. It is necessary to refer to the Group Settlement Scheme because it is very much a part of the background of our dairying industry in this State. There are a number of lessons to be learnt from this scheme because there are still many errors

apparent in its operation. This has been generally acknowledged. Some of these errors have, perhaps, been the direct cause of problems which exist today.

I have often heard the scheme referred to as a failure, but I do not go along with that point of view. I do not think this is at all a correct construction to place on the matter for the reasons I gave a few moments ago in connection with the contribution made by the industry, together with the enormous areas of country it opened up and the large number of people who have been established in the areas concerned. I think the scheme made a very great contribution to Western Australia at a time when there was not much other development or progress.

Accordingly, from this point of view the scheme has not been a failure. I suppose it can be said that history repeats itself and I think perhaps my previous remarks about Sir James Mitchell and the help he gave, together with the self-sufficiency established in our dairying products in Western Australia, could apply to the industry today.

When one talks about self-sufficiency it perhaps would not be the "in" thing to say that this is rather a selfish point of view; that we should necessarily look after the interests of Western Australia and look for self-sufficiency in our dairying products. I do not consider this to be a selfish point of view. It is not selfish to want to bring about changes in our system or in our industry particularly if it helps those who are already established in the industry. It is not selfish if farmers are given the opportunity to produce the dairy products which this State requires.

I want to make it clear that I am not referring particularly to butter in this context when I say we should necessarily produce our own requirements. Butter comes into an entirely different category and I think it would be impracticable, and perhaps very unrealistic in view of the situation which applies with regard to surplus butter in Australia and Europe for anyone these days to advocate that there should be an expansion of our butter production in Western Australia. In this regard I would make reference to the 1969 report of the Australian Dairy Produce Board. Concerning the market situation, the following is to be found on page 7 of that report:—

Meanwhile the international market for dairy products continues to come under the pressure of surplus stocks. The surplus position generated under the E.E.C.'s Common Agricultural Policy has assumed crisis proportions. Total West European butter stocks at the end of May, 1969 were about 500,000 tons or around 25 per cent. above the previous May. E.E.C. butter stocks at the end of May,

1969 were estimated to be in the vicinity of 364,000 tons or 93,000 tons above May, 1968 and 194,000 tons more than in May, 1967.

Therefore I believe that if anyone advocates the expansion of butter production that person is just not looking facts squarely in the face.

One could talk at great length on these aspects of the industry, but I do not wish to do so at this time. I have a particular purpose at the moment; that is, to submit some propositions which I believe could be helpful to the industry. However, before submitting those proposals, I would like to make available several facts which I think are relevant to our situation.

The first of these facts is that in Western Australia there are in the vicinity of 1,200-odd dairy farmers. The present rate of wastage—that is, those who are going out of dairy farming for any reason such as illness, age, or just because they want to change to some other form of production—could be, I understand, 15 per cent. per annum. That is fact No. 1.

Approximately half these farmers are engaged in whole-milk production and are holders of whole-milk licenses. They are producing much more than half the total amount of milk. That is fact No. 2.

Fact No. 3 is that the demand and consumption of whole milk in Western Australia is increasing at the rate of 6 per cent. per annum. This is providing an increasing market and at the same time, generally speaking, it is providing a very profitable market for those involved.

Fact No. 4 arises out of the replies I received to questions I asked the Minister on the 14th April this year in regard to the production, import, and export of dairy products in Western Australia. In 1968-69 Western Australia produced 13,937,093 lb. of butter. We imported 7,084,347 lb. We produced 4,474,436 lb. of cheese and imported 4,227,444 lb. With regard to all other milk products, other than butter—there is a long list of them in *Hansard* given in answer to my question—we produced 12,000,000 lb. and imported 11,000,000 lb. All in all our imports of dairy products into Western Australia in that year amounted to a total value of some \$7,800,000.

One might well ask the question: Why is it that in Western Australia we have a declining industry? We have a great capacity to produce and a potential in terms of production and resources generally. We also have one of the greatest assets, surely, in these days of crises in agriculture because we have the best possible market; that is, the local one. Therefore I ask the question again: Why is it that we have a declining industry?

I suppose I could openly give what must surely sound like a glib answer to my own question, because it is so simple. I say it

is purely a matter of price or, if we like to express it another way, it is a matter of returns to the farmer being insufficient to maintain the level of production in the dairying areas. By dairying areas in this context I am referring to what are commonly called the butterfat areas.

It may be of some interest if I make a reference to another document I have, the title of which I will give in a moment. I desire to quote from page 5 of this document because there is a description of the dairy situation in it. It reads—

The failure of returns on butterfat to keep pace with increasing costs of production has induced most dairying countries to divert as much milk as possible to the manufacture of cheese and preserved milk.

The following appears a little later in the article:—

The outlook for most dairy products, therefore, is not encouraging.

In view of the reference to increasing costs, one might well think I am talking about this year, last year, or five years ago. However, the document from which I quoted is a publication by the Bureau of Agricultural Economics of the Commonwealth Government and is dated March, 1953. In other words, things have not changed very much apparently in that particular context.

This brings me back to my simple answer to what appears to be a very complex problem. I just repeat that I believe it is essentially one of price. Much of the manufacturing milk in Western Australia is coming from the whole-milk areas; that is, from the farms of those dairy farmers who are holders of contracts with treatment plants and are also the holders of licenses issued by the Milk Board of Western Australia. The manufacturing milk they are supplying comes from what is described as surplus milk; that is, milk which is surplus to their contracts.

These areas could well produce a great deal more milk. They are capable of tremendous production. However, they are unable to produce very much more because they are limited by the operation of a quota system. Under their licenses there is no point in their producing more manufacturing milk, for which there is a great need in view of the figures I read in the replies I received to my questions, because it is uneconomic to produce milk at the price which is obtained for surplus milk.

While it is profitable to produce whole milk at about, in round figures, 40c a gallon, it is certainly not economic to produce milk for manufacturing purposes, surplus to the contract, at somewhere between 22c and 28c a gallon, as at present applies, whether it is to be made available for manufacturing milk purely and simply or whether it is to be used for cream production. In the latter case it may be

eligible for a price of 28c. In any case, it is certainly not worth anyone's while to produce milk at that sort of price.

The situation is quite paradoxical. In the lower south-west areas it is not economic to maintain production. People are going out of the industry. In the whole-milk areas it is not possible to increase the production and supply in order to meet this huge import bill which we continue to pay, because of the operations of a system which is limiting to the extent that only the farmers in those areas are entitled to produce; and it is not economic to expand the areas greatly because of the question of economics of whole-milk processing in Western Australia.

The Hon. N. E. Baxter: You did not mention the quantity of dairy produce exported from the State.

The Hon. N. McNEILL: No, I did not give that information. However, I will gladly do so because it was given in answer to my question. I suppose there is some significance in the fact that I did not give the information; namely, it is fairly insignificant in itself. It was minimal. In fact, I looked through the *Western Australian Year Book* for 1970, trying to find the statistics relating to the export of dairy products from Western Australia. The information may be there, but I could not find it.

To satisfy Mr. Baxter on the point, I will give the information. The export situation is that in 1968-69 we exported 11,000 lb. of butter, 67,000 lb. of milk and cream, and 1,000,000 lb. of cheese, bearing in mind that we imported some 4,000,000 lb. of cheese. There was of course some export interstate. Butter mainly went to the Northern Territory and amounted to 498,000 lb., while 92,000 lb. of milk went to South Australia. We exported some 34,000 lb. of cheese to the Northern Territory. Altogether it was a rather small contribution in terms of export income compared, firstly, with our production, and, secondly, with our imports from other States which were, I might add, mainly from Victoria.

The history of dairying in Western Australia really commenced firstly with the production of milk because this was the industry when the population was small in the very early days. I am referring to the last century. Then, towards the end of last century a change occurred wherein a butter factory or two were established and the emphasis then was on the production of milk and, to some extent, butter. The situation changed in later years, with the emphasis being very greatly on butter and, to some extent, on milk. There has been another reversal of the trend because today the emphasis is well and truly on milk production and, to a lesser extent, on butter.

It seems clear to me that our dairying industry in Western Australia will, by evolution, develop essentially into a milk industry with the other products, such as butter, cheese, dried milk powders, and all the rest, being produced very largely as sort of fringe benefits.

I believe this is the way in which we must approach the whole problem. We should not continue to regard our dairying industry in two sections—the whole-milk industry and the butterfat industry—but rather as a milk industry in which the bulk of the production in Western Australia will be used for whole-milk purposes to feed the rapidly increasing population in this State.

Bearing in mind the figures I read out to the House, and the rate of decline in dairy farm numbers in Western Australia, the increase in the population, the great developments, and the change in the pattern of our population, it may not be very long before Western Australia will not be producing its own requirements in whole milk for liquid consumption. The situation in relation to butter, cheese, ice cream, and so on, would be far worse, in fact.

The situation is such that I can see the Western Australian cow being dried off—and not being dried off very well—with the result that there is a very vigorous young calf bleating to be fed, and the most natural and most economic source of food for that calf is being dried off, not in a very expert way, and it is being fed instead on a much more highly priced and a less natural form of food. I believe this is an apt parallel and one that might well be considered.

Having given the background, I come to some of the suggestions. First of all, a very good and effective scheme has been put into operation by this Government; namely, the Dairy Farm Improvement Scheme, followed by what is known as the Dairy Farm Consolidation Plan. This has been of very material benefit as a means of maintaining the dairying industry and providing some rehabilitation measures, but it is limited to the extent that only dairy farmers who have less than 200 acres of pasture developed can make use of the facilities and resources made available by the Government. Assistance can be granted to such persons to bring their farms to a point where they have 200 acres of pasture.

On one interpretation, 200 acres is the basic area required to ensure a reasonable level of production. The Dairy Farm Consolidation Plan could be re-examined by the Government with a view to removing these eligibility clauses—in other words, to make the assistance available to all farmers in the form of capital improvement and development, and not just limit it to 200 acres of pasture. I think this in

itself would make a considerable difference to those people whose greatest need is perhaps for a greater area and finance to continue to develop that area.

The second suggestion I would like to make concerns the Commonwealth Marginal Dairy Farm Reconstruction Scheme. I support the scheme and I support the principle of the scheme. It is in fact an expression of something which has been widely talked about for some time now. It is fashionable to talk of restructuring and reconstruction, and the principle of the Commonwealth scheme is very important. It has been advocated that it should be employed in certain other primary industries which are experiencing difficulty at the present time.

However, as regards the dairy farm scheme, members of the House are probably aware that the Commonwealth Government has made available up to about \$2,500,000 for Western Australia, which was for a long time one of the very few States prepared to accept the proposals. That sum of money was intended for the purpose of consolidation of some of the more uneconomic units in the dairy farming areas. The fund is being used to write off redundancies and to enable some farmers to leave their properties with a reasonable sort of equity.

The idea is not new because the report of the Dairy Industry Committee of Enquiry of 1960 made some reference to it. I am sure that many members of the House will be aware of this document. I can commend it to those who are either not aware of it or have not seen it for some time. It is a great source of information on the industry and a great deal of it, if not all of it, is of some relevance today. The particular reference I make is to the recommendations on page 115 of the report. Recommendation No. 4 reads—

That the form of assistance gradually move from bounty on production and be replaced by—

- (a) The stimulation and intensification of nation-wide projects that will be of direct benefit to the industry (these projects are principally research, expansion of extension services, artificial breeding and herd recording);
- (b) direct assistance principally in the form of loans, to enable farmers to increase the productivity of their holdings;
- (c) direct assistance, principally in the form of loans to enable farmers without the potential to reach a satisfactory level of production, to leave the industry;

That is one of the essential principles in today's Commonwealth Marginal Dairy Farm Reconstruction Scheme.

I would like to take the opportunity to point out, for the benefit of people generally, that while this scheme is today being embraced and adopted enthusiastically by dairy farmers generally in Australia, when this recommendation was made—I refer to paragraph (c), which I have just read—it was interpreted and misinterpreted throughout Australia as a means which could be used by the Government to force people off their farms. In fact, no such thing was ever intended or contemplated.

That recommendation, which was made by a very capable committee in 1960, has now been adopted. If it had been adopted at that time I venture the opinion that a great deal of hardship could have been avoided in the meantime and perhaps to-day things might have been different. It is 10 years late but at least it has been adopted, although it might be claimed that the amount of money that the Commonwealth has made available is not really great in terms of the whole problem that exists.

While I support the Commonwealth Marginal Dairy Farm Reconstruction Scheme, I suggest that in the light of our present experience it could be expanded a little, firstly to provide finance for those with the capacity for dairy production, for farm development, and for capital improvement purposes. Secondly, special assistance could, perhaps, be given to farmers who have the opportunity to transfer out of butterfat or manufacturing milk production into whole-milk production, if not now then perhaps at some time in the future.

The third way in which the scheme could be expanded would be to make available to those farmers who might wish to leave the land under the terms of the scheme the opportunity for retraining and re-establishment. With the industrial development in Western Australia, and particularly regional industrial development, we have a great opportunity to employ these principles of re-establishment and retraining in areas which may be experiencing some form of depression. The industries that are being developed in our country areas and in the vicinity of dairying districts may well be able to co-operate in providing opportunities for re-establishment and retraining, particularly in these days when labour is in short supply and when the only alternative is to import labour into Western Australia at some cost.

A very complicated aspect of the operation of the dairying industry relates to the way in which the stabilisation fund operates, the manner in which the bounty, or Commonwealth subsidy, is paid to the industry, and the way in which prices for export sales are averaged out against Australian production and against Australian sales. It is very complicated and I cover it by saying that it is described as

"the equalisation measures." At this stage I do not propose to explain the operation of the equalisation scheme. Suffice it to say that it is an equalising of sales and returns throughout Australia's dairying industry. Its importance and value is in the fact that it operates Commonwealth-wide and incorporates dairy factories as well as dairy farmers.

It is a matter of some interest, in view of the figures I have quoted from the Minister's replies to me on the 14th April, that not only did I have the production, import, and export figures, but I also obtained the figures relating to the operation of the equalisation scheme and how it affected Western Australia. It will be appreciated that as Western Australia has a very considerable net import balance the people in Western Australia are contributing fairly heavily to the equalisation scheme.

When butter is sold in the shops in Australia at 55c, while the price overseas is in the vicinity of 22c, and when prices are being equalised, a greater proportion of our butter is being sold in Western Australia than overseas. There is, therefore, a fairly good return proportionately. At the same time, of the \$7,800,000-worth of dairy products which we imported last year, some \$3,000,000 to \$4,000,000-worth was related to butter which we had imported from the Eastern States. As a result of these equalisation processes, Western Australia actually contributed to the equalisation fund an amount of \$1,300,000 in 1968-69. This may be considered to be \$1,300,000 which we contributed by way of subsidy to the production of dairy products in Victoria, inasmuch as Victoria produces about 60 per cent. of Australia's supply.

Perhaps that is not a fair interpretation; but, by way of an equalisation subsidy, we are certainly paying out some \$1,300,000. It would be disastrous for us to depart from the equalisation scheme unilaterally, but I believe there should be a Commonwealth-wide examination of the system of equalisation to ascertain whether a rebate system could be introduced whereby those States which do not produce a surplus for export could be granted a proportionate rebate because of that. The purpose of this system would be to try to ensure that the Western Australian producers obtain a greater return for each pound of butter produced instead of contributing to the expansion of the dairying industry in Victoria and Tasmania and at the same time paying the transport, refrigeration, and storage costs out of the equalisation fund. I indicated that the cost of equalisation to Western Australia for one year was \$1,300,000. I should make the comment that probably half of this amount is returned to Western Australia as Commonwealth subsidy for distribution among the producers.

As I have stated that, in due time, the dairying industry will essentially be a milk industry, I completely agree with the steps taken by the Milk Board for the progressive removal of whole-milk zone boundaries. In recent months those arbitrary boundaries have been extended to include, firstly, the Capel Shire and now applications are being received from within the Busselton Shire. Undoubtedly these applications will increase progressively. In the complete scheme, the adoption of this method by the Milk Board is important for the rehabilitation of the industry. I agree it will be a long time before the dairy farmers in the more southern parts of this State will be able to take part in the whole-milk trade. They will have to wait until the demand for whole milk is such that economics will justify the treatment of milk in those areas and, at the same time, justify the heavy capital expenditure that would be involved for farmers in those parts to bring their dairies up to a standard that could meet the demands of the whole-milk trade.

For some time a controversial matter has been exercising the minds of those engaged in both sections of the dairying industry. This matter concerns the creation of a single administering authority, such as that which is being requested by those engaged in the wool industry at the present time. In view of the trend of events, I do not think this is unimportant. I would not advocate that such an authority should be created, because I believe that Governments and Parliament generally should not necessarily involve themselves too deeply in what are more or less domestic aspects of the industry. From an administrative point of view I believe the Government should be giving attention to the situation to ensure that as the time approaches it will be possible to move smoothly and easily to create a single administering authority.

I would not like it to be interpreted that I am advocating that all matters relating to milk and dairying should come under one authority. As the situation exists today, the Milk Board is responsible for most aspects of the milk industry. The Department of Agriculture is concerned with all the advisory services related to a dairy farm, irrespective of whether it is engaged in the production of whole milk or anything else. The Department of Agriculture also has an inspection authority covering all farms producing butterfat. This department is also responsible for conducting inspections of treatment plants, butter factories, and so on. The Milk Board is responsible for administering the treatment plants and factories in the whole-milk trade, and the Public Health Department is responsible for many matters relating to both sides of the industry so far as they affect public health.

The officers of the Department of Agriculture and the Milk Board are also vested with powers as inspectors to ensure that the provisions of the Health Act are observed. This is a fairly awkward set-up. I understand that the appropriate department and the Government are giving some attention to this position. I hope this is being done so that eventually we can arrive at a position where there can be one authority responsible for dairying as such. I believe that there is a need to do some rethinking about the whole problem. The complications involved cannot adequately be expressed in the debates that are conducted in this House.

Another matter to which I have already made reference relates to a proposition of mine concerning the operation of that very significant and important part of the industry; namely, the subsidy of \$27,000,000 made available by the Commonwealth Government. This subsidy has been paid for a considerable number of years, and only a short time ago it was increased by \$17,000,000. My proposition relates to the application of this subsidy. Never before in my experience have I encountered so many farmers in the industry who have been so reluctant to adopt a system of subsidies. In fact, they are even opposed to such a system because they do not believe that subsidies solve their problems.

I endeavoured to ascertain what was the basis for the allocation of the proportions of the subsidy. I thought I had a fair idea of who would receive the greatest proportion of it. Generally the largest producers receive the greatest proportion. That is axiomatic. However, I thought that as so much money was paid out year after year statistics would be kept relating to the payment of the subsidy. I made some inquiries of Senator R. G. Withers who, in turn, sought the assistance of the Legislative Research Service (Finance, Industries, Trade and Development) in the Commonwealth Parliament. The question I asked was—

What percentage of the butterfat subsidy is paid to what varying percentages of producers?

The answer is fairly lengthy, but I will quote only the final part of it, which reads as follows:—

A detailed analysis of deliveries of cream and wholemilk (in butterfat equivalent) to factories, would be necessary to determine accurately the way in which the subsidy is distributed among producers.

No such analysis—which would be a major one—has as yet been undertaken.

I make the point because it may or may not be appreciated that the subsidy is received by all dairy farmers whether they produce whole milk, manufacturing milk, or cream for butter production.

The fact is that the whole-milk farmers still receive their proportion of the subsidy. Whilst I recognise that this subsidy has been of great significance in the development and maintenance of the Western Australian dairying industry, I believe it has certainly contributed to a situation whereby we are now producing a surplus of butter. After all is said and done, if a subsidy is paid, surely it represents an incentive. Therefore, in a minor way, it is contributing to a surplus of butter production. What is more important is that I think it is, in fact, conflicting with the principles of the Commonwealth Marginal Dairy Farm Reconstruction Scheme. In other words, first of all, we would have a proportionate reduction in the number of farms; the redundancies written off; and, perhaps, the production of butter cut down to reduce some of the surplus. Yet at the same time, subsidies are being paid to producers to maintain them in the industry. The two operations seem to be in direct conflict.

I would therefore advocate that serious thought be given to the operation of this Commonwealth subsidy or bounty, or whatever name it may be called, to ascertain if it could be used solely—as was intended in the very beginning, I understand—for the support of Western Australia's domestic requirements of butter, cheese, and so on—the subsidy to be available only for locally consumed produce.

I know that Mr. Anthony, the Commonwealth Minister for Primary Industry, when making an explanation in answer to a question on the expansion of the subsidy to \$44,000,000, indicated that this money would be limited to production in Australia of 220,000 tons of butter and 72,000 tons of cheese.

I think this is fairly realistic from the point of view that it is going some part of the way towards what I have been advocating in the House this evening. This money could be used for a variety of purposes. It would help to keep prices down in the retail trade and, at the same time, would greatly increase the return to farmers. The reason I am saying all this is that the whole object of this exercise is to try to increase the return to farmers in a way which is not a burden on the rest of the community.

The Hon. L. A. Logan: But you would reduce the quantity for export?

The Hon. N. McNEILL: Well, what an advantage that would be.

The Hon. L. A. Logan: I am not arguing against it.

The Hon. N. McNEILL: In answer to the Minister's interjection, I make the point that we are producing butter in Western Australia for which the Government provides by way of subsidy, and through the equalisation scheme, a guaranteed return of 43c a pound. Butter is produced and

is sold in the shops in this State at, say, 55c a pound, but on the market in London it is sold for 20c or 22c a pound. This is difficult to understand when, in fact, a subsidy is being paid on the one hand, and money is being paid out under the Commonwealth Marginal Dairy Farm Reconstruction Scheme on the other.

The Hon. J. Dolan: We can buy Scotch whiskey in this State cheaper than they can buy it in Scotland.

The Hon. N. McNEILL: But it is a very different whiskey. I know! I think there is need for greater encouragement to be given in Western Australia, and perhaps throughout the whole of the Commonwealth, for the manufacture and marketing of a wider range of dairy products. It would increase the total number of sales whilst increasing the total varieties, and so create a general diversification. A great deal has been done by the Australian Dairy Produce Board and the Dairy Products Marketing Board. A great deal of work has also been done by the dairy factories. I believe they are a very valuable part of the industry.

They are doing a tremendous amount of work in this field. There are some people—and I know them very well—who concentrate on this aspect: that marketing is important, and that one way of promoting an industry is to increase sales, and sales are increased by the variety and the quality of the product. I believe that a little more encouragement could be given to achieve this end. To my way of thinking this is the ultimate and the important result.

One aspect of the subject of marketing has come in for reference in this rather lengthy speech of mine, and we have heard this in respect of the marketing of wool and wheat. I do not blame anyone for the problems that arise; the difficulties crop up and we have to get over them as best we can. It seems that when we get into difficulties one of the comments which is frequently made is that we did not know what was coming around the corner or what the situation would be. I must agree with what the Minister for Primary Industry (Mr. Anthony) had to say. In his approach to these problems he has displayed very great courage at the meetings and gatherings he has attended. I know that he has been saying for quite a considerable time that a problem was arising in relation to the wheat industry; but how many people took an interest in what he said, or acted on his advice? Did the industry act on what he said, and if so to what extent?

Early in my speech I read out a reference to the dairy situation in the report of the Bureau of Agricultural Economics of March, 1953. It pointed out the situation was not good, and it mentioned all the expressions we have heard so often. The position has got worse. I come to

the point that surely there must be some better way to bring home to the people who are involved in the industry just what the future holds. This amounts to—and I can think of no better term—a market projection service. This is a highly specialised business. The Bureau of Agricultural Economics is doing this in part; it has endeavoured to make a forecast and to assess the future.

The Department of Industrial Development and the Department of Agriculture in Western Australia do a certain amount of this work, but I believe there is need for greater sophistication. I do not know that we can rely absolutely on this from the point of view of crystal gazing, but finding out the information as to what the future holds might be of some help. Having found out the information it must be brought home to the people who may be affected, so that they do not repeat their mistakes and the pitfalls they have fallen into over a large number of years. I ask: Do we learn from our mistakes? It is not only Governments which are responsible; Governments contribute to the mistakes, but so do other people, including the producers. When mistakes are made people look around for scapegoats. Surely it is worth while to implement such a projection service, so that many of the uncertainties can be removed. In these days of greatly sophisticated international communications and transport surely we can make some progress in this field.

The Hon. F. R. H. Lavery: Without being critical, do you think the millions of acres of new land thrown open in the last few years have helped the situation?

The Hon. N. McNEILL: Undoubtedly this action has contributed to a surplus in production. I do not want to use this opportunity to turn the point to my advantage, but I do believe that this action has contributed very greatly to the economy of Western Australia, and has helped to maintain its balance. However, it has certainly been responsible in some measure for contributing to the surplus in production; but this production has meant a financial return to the State and to its people, whether it be derived from wool, wheat, pasture seeds, or pasture production. So, it is not on the debit side.

Some seven or eight years ago I was a party to a group of people who very strongly emphasised—this was in fact Liberal opinion and a recommendation of policy—that there should be a consolidation of the position as of 1963, in view of the difficulties that seemed to be around the corner, of the shortage of finance, and of the trend in terms of world surpluses, etc. We strongly emphasised that there was a need to cut down the rate of alienation of land, not because there was likely to be a surplus, but because of the shortage of finance for developmental purposes—and this was becoming onerous and expensive to the agricultural industries.

I have taken considerable time in my contribution to this debate, although it was not my intention to do so. There is a lot to be talked about in the dairying industry and I can assure the House that I have not by any means talked about all aspects of it. In conclusion I summarise the suggestions or the recommendations which I have made—

- (1) That there should, perhaps, be an examination of the operation of the dairy farm consolidation plan with a view to removing what I would call the eligibility clauses. In other words remove the provision to bring the area up to 200 acres of pasture, and make it apply to all types of dairy farmers.
- (2) That the Commonwealth Marginal Dairy Farm Reconstruction Scheme be extended in the three categories I have mentioned.
- (3) That the operation of the equalisation scheme be examined and reviewed on a Commonwealth-wide basis to provide for a rebate scheme. I do not know whether it will work, but it is worth examination.
- (4) That the progressive removal of the boundaries of whole-milk zoning in Western Australia be supported.
- (5) That the Government and the dairying industry in general be strongly urged to get down to tin-tacks as to what is needed in respect of the provision of a single administrative authority in dairying in this State.
- (6) That there is justification for the examination of the method of distribution of the Commonwealth subsidy.
- (7) That there is a need for greater encouragement to be given to the expansion of the manufacture and marketing of dairy products.
- (8) That there is a strong need for a very adequate projection service to be developed in the dairying industry for the benefit of the producers, the market situation, and the dairy industry in the future.

With those remarks I support the motion for the adoption of the Address-in-Reply.

THE HON. N. E. BAXTER (Central)
[10.25 p.m.]: In supporting the motion for the adoption of the Address-in-Reply I would like, firstly, to refer to several paragraphs in the Speech of His Excellency the Governor delivered at the opening of Parliament. The first reference to which I draw attention is the statement that a continued high rate of capital investment has been responsible for further rapid growth and employment. It is a very cheerful type of statement, but it is followed by

one which in my opinion is rather depressing. It is the statement that the State's economy has been affected by drought, lower wool yields, and the need to impose wheat quotas; and that the combination of all three has lowered the State's farm income by at least \$80,000,000, with a consequent adverse effect upon industries geared to service the farmers.

His Excellency went on to say that the demand for consumer goods had increased as a result of the major developments. I wonder whether the capital invested in Western Australia—and this has resulted in the State being named as the State on the move—will result in balancing the drop in the income of primary producers, or in balancing the State's trade figures. In my view it will not by a long chalk catch up with the reduced income, because most of the capital is used in mineral development from which the State receives only a certain amount in royalties, from which a certain amount is spent within the State on wages, salaries, etc. The majority of the money derived from the export of minerals goes out of Australia, because most of the capital invested is from outside sources.

To return to the reference in the Governor's Speech to the increased demand for consumer goods, what will be the effect? Will it mean cheaper or dearer consumer goods? With the way things are developing in Australia I say the increased demand for consumer goods will result in higher prices.

In view of the economic plight in which many people find themselves it is high time that steps were taken on both a Federal and State basis to stave off in the future the adoption of a type of communism. I am sincere when I say that. We have seen what has taken place in the developing nations of the world, and we should have learnt from their experience of what the result will be in the escalation of prices. We should realise what situation some other countries in the world are in, where communism and other creeds have crept into their Governments, and where vandalism and assault have increased. What is the cause of all this? Has not the cause to do with the economic plight of the people? Or is the cause that the people in Australia are too affluent? I believe that some sections of the people are too affluent, but other sections are not living on an economic level which is recognised as the Australian standard of living.

In the last six to eight months we have seen in Australia strikes, industrial disputes, and demonstrations. Is this the picture of a country which has a good standard of living? Is this the picture of an ideal country? I do not think so. Does it indicate that the State and Federal Governments are at all times more concerned with development so that large business interests can invest capital and show a big return, than with the plight of some

people? Is it the policy of the Government to balance the Budget and to maintain the trade balance?

The Hon. A. F. Griffith: Surely you cannot be serious in accusing the State Government of this sort of thing.

The Hon. N. E. BAXTER: I am asking these questions, because it surprised me when I heard a statement six or eight weeks ago attributed to the Federal Treasurer expressing extreme concern with the increase in the price of consumer goods in Australia.

Nothing has been done about this on a State or Commonwealth level; not a thing. However, we had a recent Federal Budget which gave a 10 per cent. taxation relief to the people. Of course, I refer to income tax but, on the other hand, we see increased sales tax, increased company tax, and increased excise duties. This policy does not reduce the price of consumer goods.

Let us consider the question of sales tax. Will that decrease or increase the price of consumer goods? It will certainly increase the price of goods. Company tax is another, and, in my opinion, it will not stop prices from escalating.

The Hon. A. F. Griffith: Do you think that continual increases in wages is likely to bring down prices for consumer goods?

The Hon. N. E. BAXTER: I will come to that in a moment, and refer to the wages side of the proposition. I ask: What is the situation of a company which has to pay very heavy company tax? Naturally, because of the capital investment, the company will increase its prices to derive a greater profit from which to pay its dividends.

And so the mad circle continues with a system such as this. I am astounded that the Federal Treasurer, if the statement attributed to him is correct, could have been a party to a Budget which has increased sales tax, company tax, and excise duties. The Budget is not consistent with the statement I heard over the air, which was attributed to Mr. Bury, as Federal Treasurer of this country.

The Hon. S. T. J. Thompson: You forgot to mention payroll tax.

The Hon. N. E. BAXTER: I am suggesting that the Budget will cause a further escalation in prices.

The Hon. A. F. Griffith: Are you suggesting that somebody wrote the Treasurer's speech and compiled the Budget for him?

The Hon. N. E. BAXTER: It appears to me that if the Federal Treasurer can make a statement that he was concerned with the increase in the price of consumer goods in Australia, and then follow up that statement with a Budget of this nature he might not be entirely responsible for the Budget. Does it not make one wonder?

The Hon. A. F. Griffith: It makes you wonder.

The Hon. N. E. BAXTER: The actions are not consistent. If the Minister thinks they are consistent, that is his opinion.

The Hon. A. F. Griffith: I am not saying they are consistent at all, but the Budget is certain whether you like it or not. However, you have no proof of the statement the Minister was supposed to have made.

The Hon. N. E. BAXTER: I have no proof but I believe I could get a copy from radio station 6IX. I heard it very clearly and the statement was attributed to Mr. Bury. I hope that this time next week I will have a reply to a letter I wrote asking for confirmation on whether the statement was correct or not. I do not imagine that a radio station with a reputation such as that enjoyed by 6IX would be wrong.

The Hon. R. Thompson: It came through the general news service, not only over 6IX.

The Hon. N. E. BAXTER: I think that confirms what I have said; it came through the general news service.

The Hon. A. F. Griffith: One thing is certain; it has given you the basis of a 12-minute speech up to date.

The Hon. N. E. BAXTER: I will not be the longest speaker in this House tonight; I can assure the Minister of that! However, apparently a number of members desire to listen to me judging by what is transpiring.

The Hon. F. R. H. Lavery: They should let you get on with your speech.

The Hon. N. E. BAXTER: It is very clear that there has been escalation in the cost of consumer goods in this country, and that has been responsible for the demands for higher wages.

We now come to a matter raised by the Minister. It is the old story of the dog chasing its tail; prices going up, increased wage demands, wages going up, and then prices going up again. However, where does the primary producer come into the picture? How can he continue to operate under a system where the prices of primary products such as wool and meat are falling while costs are escalating all the time? The primary producer has not a chance to meet the situation.

How can the people be expected to make a reasonable living when whatever higher wages they receive are absorbed by higher costs? They also have to pay higher taxation because of their increased incomes. Let us look at the position wherein lies the crux to the situation in Australia, a situation which also exists in other countries. We are allowing so-called free enterprise to operate entirely uncontrolled in this country. That has also occurred in America and other countries of the world. The ultimate result is continued escalation and continued inflation until there are a

number of under-privileged people in the country concerned. We all know that there are many under-privileged people in the United States of America. Mark my words, if we continue in this manner, in Australia, there will be many under-privileged people in this country, too.

The Hon. F. R. H. Lavery: Two thousand blankets have been given out by *The Sunday Times* so we have plenty of poverty.

The Hon. N. E. BAXTER: We have only to look at the papers from time to time to see the large increase in the percentage of profits made by companies, particularly the metal trades companies. I believe the present situation has been caused by the metal trades industries. Because of the big increase in profits made by companies such as B.H.F., the workers felt that they were entitled to enjoy some of the affluence, which is only natural.

The Hon. S. T. J. Thompson: Can you relate the profits to capital investments, such as those involved with B.H.P.?

The Hon. N. E. BAXTER: Yes, they can be related if one goes through the figures. From year to year we see big increases in the percentage of profits. Only today I was studying the Alcoa balance sheet. At the present time it does not show a huge profit on the capital of the company, although certain features indicate that it is an extremely remunerative business.

The Hon. I. G. Medcalf: There is nothing wrong with that.

The Hon. N. E. BAXTER: I am not saying that there is anything wrong with it. However, let us consider a few factors in relation to the figures in the Alcoa report and balance sheet. There is an entire capital of some \$255,000,000 which is invested in a series of companies. There is a share issue of \$80,000,000. In addition, the company shows unsecured borrowings of \$167,000,000.

Let us relate the total capital assets of \$255,000,000 to the position that existed some years ago. At the close of the 1968 financial year, the company showed a loss in operation of some \$4,000,000. Of course, this was during the developmental stage of some of the projects. At the end of the 1969 financial year the company showed a net profit of \$10,000,000. That is not a big return on a total capital investment of \$255,000,000.

The Hon. A. F. Griffith: What is the percentage return?

The Hon. N. E. BAXTER: I did not work it out on that basis.

The Hon. I. G. Medcalf: It is about 4 per cent.

The Hon. L. A. Logan: It is 1.2 on B.H.P.

The Hon. N. E. BAXTER: Do not let us forget that the actual cash investment of the company, from the point of view of the investor, is only \$80,000,000, not

\$255,000,000, which is the total asset. This comes about because of the unsecured borrowings of \$167,000,000. This latter amount is money which the company is using and paying interest on. Can we relate the profit made by the company to the unsecured borrowings of \$167,000,000? Certainly this cannot be related in my system of bookkeeping, but I may be wrong.

The Hon. I. G. Medcalf: It is clearly wrong, because it has to be related to the shareholders' funds, which include the borrowed capital.

The Hon. N. E. BAXTER: How can the shareholders' funds include the borrowed capital? There are 40,000,000 shares at \$2 a share. The position is different from the position of a farmer who borrows money for development.

The Hon. I. G. Medcalf: It is the capital employed in the business.

The Hon. N. E. BAXTER: Yes, but how can this profit be related to money that is not actually invested by the shareholders? Certainly interest is being paid on borrowed money and, admittedly, it has to be paid back in the long run. Certain side factors in the whole issue have to be looked at.

The Hon. R. Thompson: If the company is paying 7 per cent. interest, it is showing 11 per cent. profit overall when the capital is repaid.

The Hon. A. F. Griffith: What did Mr. Ron Thompson say? Did he refer to 7 per cent. for borrowed money?

The Hon. R. Thompson: I said that if—

The Hon. A. F. Griffith: Yes, "if." I suggest the honourable member should try to borrow and see what he pays. He would pay up to 13 and 14 per cent. for "Euro" dollars.

The Hon. N. E. BAXTER: Let us consider the metal trades unions which make a demand for higher wages on the basis of the affluence of that industry. When we look at the picture in that light, what is the position of those involved in arbitration when a union goes to arbitration for an increase in wages? We must remember that the criterion used in arguing at arbitration has been, and is, the ability of an industry to pay. What is the position of those who make judgments in arbitration cases? Can they justify not increasing wages to a certain extent—a request pressed by the unions—when industries are affluent? Of course they cannot. What is the result? The result is that one union is granted an increase and this sets off a chain reaction. Groups of workers, even civil servants and semi-Government workers, press for higher wages as well. So the whole cycle continues to spiral.

The Hon. A. F. Griffith: What should we do? Stagnate?

The Hon. N. E. BAXTER: I shall tell the Minister what we should do later on as I develop my speech. I want to touch on the crux of the matter, because I do not want to delay the House unduly. I believe the time has come to introduce into this country very far-reaching legislation, on a Federal and State basis. I have looked hard at existing legislation in Australia which has any semblance of trying to control the escalation of the price of consumer goods. There is nothing worth while in our Statutes, on a State or Federal basis. There is nothing with any teeth. To my knowledge there is the Commonwealth Trade Practices Act, which is only accepted, under complementary legislation, in one State; namely, Tasmania. In Western Australia we have the Trade Associations Registration Act which protects only a certain group of people registered under the Act. Neither of these Acts does anything to curb the increase in prices.

We saw what happened when the Monopolies and Restrictive Trade Practices Act was in existence in this State many years ago. It fizzled out because it was not possible to sheet home one case that went before the courts.

The Hon. R. Thompson: To get the record straight, South Australia also has legislation.

The Hon. N. E. BAXTER: South Australia has a price-fixing scheme.

The Hon. R. Thompson: It accepted the Commonwealth legislation also, two years ago.

The Hon. N. E. BAXTER: The price-fixing set-up in South Australia has a certain effect, but it cannot control the price of consumer goods brought in from other States. When I was in that State I noticed that the price of haircuts was 70c when we have to pay \$1 in Western Australia. Perhaps it was because so many of the younger people grow long hair these days.

The Hon. L. A. Logan: I had to pay \$4.50 when I was in Toronto.

The Hon. N. E. BAXTER: In all seriousness, I suggest that a statutory consumer authority should be set up in Australia on a Federal and State basis. I think that the main section should be in Canberra and there should be other sections in each State. This authority should be empowered to delegate to the State sections the power to have a full inquiry into any manufacturing industry, any wholesaler or retailer, in relation to its operations. There should be power to call for books of account and papers so that a full assessment could be made of the operations of the business in relation to the profit margin and the prices charged.

Many people would consider that this suggestion is unfair and it would interfere with their businesses. Is it unfair? Is

it fair for people to have the right to charge the consumer whatever price they like and to make big profits, irrespective of the impact upon the community?

Only in the last week we have seen examples of what has happened to the price of goods as a result of the Budget. I refer to goods that were held in stock. No additional tax or excise was paid on these goods when they were purchased, and yet the prices went up when they were sold to the consumer. Those who listen to the radio would have heard an appeal over the air made by one radio station to petrol stations. I think the words were, "Give it a fair go, fellows." Certain petrol stations had increased the price of petrol by 3c a gallon on the old stocks held in their tanks on which the new excise duty had not been paid.

The Hon. E. C. House: This has become necessary because we have so many monopoly companies that are in collusion.

The Hon. N. E. BAXTER: I think so. This applies to cigarettes and other goods upon which taxes were increased in the Federal Budget. Is it unfair to say to these people that an organisation such as a statutory consumers' authority should have the right to examine the dealings of businesses and operators concerned with consumer goods? If it were done within the States, the organisation would have to report to the head authority in Canberra, which would be empowered to approach a company and suggest that it brought its price back to a reasonable figure. If the company was not prepared to do so, the authority would have the power to say, "Your figure shall be so-and-so."

The Hon. A. F. Griffith: The net result is price-fixing, in your opinion?

The Hon. N. E. BAXTER: To a degree, yes, but not as we knew it some years ago, when a department was set up which worked on the existing prices, and irrespective of increases in costs, in many instances the price of the commodity did not rise. I will not have that sort of price-fixing. Let us be fair and have all the ramifications of a business examined, even its efficiency. It would not suit a certain section of the community that is living on the fat of the land. In all States one can see people who are living on extremely high incomes; money is no object to them. I do not envy them in any way—I would hate to be that well loaded. I think it is fair enough to say to these people, "Give it a go, fellows. Be fair."

When I spoke on the Address-in-Reply last year I referred to the building industry here and appealed to the members of that industry to give the State and the community a go. Nothing happened. People get the impression that the type of thing I have suggested is socialistic. Is it socialism when one wants to ensure

that people pay a fair price for goods? Is it socialism when, in Australia, we have a home consumption price for butter, wheat, and eggs? Is it socialism to say to the worker, "We have worked it out that you can live on \$36 a week, and that is what you are going to live on"? Is that socialism? Immediately one mentions putting a curb or restriction on the escalation of prices, the arms go up in horror. It is said, "This is socialism. You are directing these people what to do."

The Hon. V. J. Ferry: There is nothing to stop them paying over-award rates.

The Hon. N. E. BAXTER: But how many of them do? When I was a lad I worked in a company—and worked very hard—and the company never attempted to pay over-award rates.

The Hon. A. F. Griffith: That was a long time ago.

The Hon. N. E. BAXTER: Yes, and those times could come again. Before I was 21 I was getting the large sum of £2 10s. a week. When I turned 21 my wages were raised to £4 12s. 6d. Were they overpaying me? I was doing the same work as I had been doing when I was a junior. Of course, the company was underpaying me for the work I was doing, but my wages were not increased and I was not paid more than the basic wage when I turned 21. Many people were in that position, and many people are in the same position today.

The Hon. I. G. Medcalf: What are you actually saying? What is your argument? Are you saying you were not being paid enough?

The Hon. N. E. BAXTER: No, I am not complaining about that. Mr. Ferry said that many companies were paying more than the basic wage. I am referring to companies that do not pay more than the basic wage and will not give their workers a penny over the basic wage. I was illustrating what happened to me and many others many years ago.

The Hon. R. Thompson: The odd thing is that now a man has to send his wife out to work in order to get enough to live on.

The Hon. N. E. BAXTER: I am particularly concerned about the cost of consumer goods and the way the Australian standard of living has deteriorated under hire purchase, high rates of interest, and so on. Wives are forced to go out to work in order to meet their commitments.

We are supposed to be living in a very prosperous country and to have one of the best standards of living in the world. Will it continue, with the escalation in the price of consumer goods?

The Hon. E. C. House: Costs in Western Australia are higher than in any other State, are they not?

The Hon. N. E. BAXTER: I believe that is true. The cost of living in Western Australia is purported to be higher than in other States of Australia. I believe that the Government should give this matter very serious consideration to see what can be done in the interests of the State and in the interests of our trade balance. If we are not prepared to keep our costs down, we have no hope in the world of competing on overseas markets. We have seen what has happened in the last year or two in primary production. Mark my words, the same thing will happen with secondary production if action is not taken to keep the price of consumer goods down. That means that wages must be on a level which will give the people the ability to live reasonably and will give us the opportunity to compete on world markets. Let us not adopt this policy of increasing taxes, thus increasing our costs, because that is suicide.

A few weeks ago I was discussing this subject with an American journalist who is the sub-editor of a newspaper in Missouri. He also writes for *Time-Life Magazine*, and he has travelled on presidential campaigns with John F. Kennedy and President Nixon. He is associated with a number of senators in America. This man expressed the same opinion as I have on this matter, and said that a lot of the trouble in America emanated from high profits in the metal trades industries.

As a result of the big profits reaped by companies people in America pay high prices for consumer goods. If we want to become Americanised and go the way America is going, let us do nothing about it. But if we want to have a virile country, with a high standard of living, and a future in front of it, the Governments of this country—both State and Commonwealth—must take some action in the matter and set up an authority such as I have suggested to keep the consumer goods price escalation under control.

The Hon. A. F. Griffith: Let me ask you a question. If a certain section of the community works for the Government, and the Government has to find \$3,000,000 or \$5,000,000 for increases in their wages, what would you do to make up that money?

The Hon. N. E. BAXTER: What is the reason the Government had to find \$4,000,000 last year for teachers?

The Hon. A. F. Griffith: I suppose you would say that is attached to the consumer price index?

The Hon. N. E. BAXTER: Yes. The point is that if we had control of the escalation of the price of consumer goods, that money would not have to be found because a reasonable standard of living could be obtained on the wages paid. The increasing prices for consumer goods are forcing the workers to press for higher

wages and, to a degree, to win them in the arbitration courts. They do not get all they ask for because they ask for more than they want. However, they do get increases and those increases have to be justified in the arbitration courts. I did not refer only to the State; I referred also to the Commonwealth.

The Hon. A. F. Griffith: Check your speech tomorrow and you will find you referred to the State Government.

The Hon. N. E. BAXTER: I do not mind the Minister checking my speech.

The Hon. A. F. Griffith: You said that Commonwealth and State Governments were prepared to stand by and do nothing, and I said that your remark was not fair.

The Hon. N. E. BAXTER: I do not think I used the words "stand by and do nothing." I am almost sure I did not. I suggested that Commonwealth and State Governments should do something about checking the inflationary trend in Australia today. I do not want to delay the House any longer. I have had my say and I believe implicitly that what I have suggested should be carried out. I trust that some notice will be taken of my remarks but I know that many big guns will be brought to bear in an endeavour to keep them from the light of day.

Debate adjourned, on motion by The Hon. Clive Griffiths.

House adjourned at 11.03 p.m.

Legislative Assembly

Wednesday, the 26th August, 1970

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

SUPPLY BILL

Assent

Message from the Governor received and read notifying assent to the Bill.

QUESTIONS (33): ON NOTICE

1.

HOSPITAL

Rockingham-Kwinana

Mr. RUSHTON, to the Minister representing the Minister for Health:

- (1) What capacity and range of service is to be provided in the first stage of development in the new Rockingham-Kwinana Hospital?
- (2) Has the original concept and planning for this hospital been amended?
- (3) What capacity and services are planned now for when the hospital is ultimately completed and when is this expected?