The Hon. A. F. Griffith: The Commonwealth can.

The Hon. R. F. CLAUGHTON: The Commonwealth can include the international agreements in the schedules to its Acts. After all, the only reference in our Act is the provision stating that section 4 of the Commonwealth Act applies in this State. The reference does not detail the provisions of the Act, and if they were included as a schedule that information would be readily available to whoever had to refer to the Act.

The Hon. A. F. Griffith: It is readily available in the place in which it belongs; that is, in the Commonwealth Act.

The Hon. R. F. CLAUGHTON: The details were not readily available here. They were obtained from the State Library and I ask: Why is this necessary? Surely we should be able to have ready access to the information in our State legislation. Why should we have to chase around to the State Library for the information? Why not have the information included in our State legislation? Then, when we wished to refer to the legislation, all the information would be available.

The Hon. A. F. Griffith: It does not fit.

The Hon. R. F. CLAUGHTON: I will not dispute with the Minister; I simply offer the suggestion that since the Commonwealth finds it convenient to include international agreements as schedules to its Acts, the same thing could be done with our own legislation.

In 1961 Mr. Wise pointed out that an amendment could be made to the Commonwealth legislation about which we would have no knowledge. This, in fact, seems to have happened. The 1962 agreement was incorporated in an amendment to the Commonwealth Act, but it does not appear in the amendment we have before us, or in any other amendment to the Act.

I do not wish to burden members with unnecessary material relating to this Act. The measures which are proposed will be of great benefit. I have pointed out that it is necessary for an operator, in order to obtain the protection of the proposed provisions, to ensure that his passengers have airline tickets bearing the necessary notice, otherwise he cannot claim the protection of the State Act.

I reiterate: Perhaps we are accepting Commonwealth control, or standards, when it is not really necessary to do so. When considering the limit of compensation which would apply to operations within this State, perhaps it would be more realistic to fix a figure to suit our own conditions.

Debate adjourned, on motion by The Hon. F. D. Willmott.

House adjourned at 5.34 p.m.

Legislative Assembly

Wednesday, the 23rd September, 1970

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

QUESTIONS (38): ON NOTICE

1. ELECTORAL ROLLS

Computer Setting

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

(1) Is it a fact that the Government Printing Office did some of the printing of the computer-set electoral rolls of South Australia?

(2) Has he noticed the spacing in the computer setting in these rolls which results in easier reading and glancing through the rolls especially when looking for the first name(s) and/or address within the list or a recurring name such as "Smith"?

(3) Would he consider having the computer setting (from which the offset printing is done) in the Western Australian State electoral rolls arranged the way that space should be left in each horizontal line between the surname—given names—address and occupation respectively, so that the first letter of all the given names and the first number or letter of all the addresses would be set in a vertical line on each page, thereby making the roll easier to read?

Mr. COURT replied:

(1) Yes.

(2) This has been brought to the notice of the Minister for Justice.

(3) The matter will be considered.

2. THE PATIENTS ASSOCIATION OF AUSTRALIA

Credentials

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

(1) Has he received or read a circular sent out by "The Patients Association of Australia" setting out its aims and objects together with an application for membership?

(2) Has he any knowledge of this association and, if so, is he in a position to give the House its credentials?

(3) Has he any knowledge who is sponsoring it?

(4) Is he aware if it is a body corporate registered in any State of the Commonwealth?

Mr. ROSS HUTCHINSON replied:
(1) to (4) No.

3. *This question was postponed.*

4. CRIMINAL INJURIES (COMPENSATION) BILL

Clause 5

Mr. T. D. EVANS, to the Minister representing the Minister for Justice:

To what Act or Acts could the expression "provision of another Act" in clause 5 of the Criminal Injuries (Compensation) Bill be referrable?

Mr. COURT replied:

See side note on the Bill.

5. RAILWAYS

Bunbury Wharf

Mr. DAVIES, to the Minister for Railways:

(1) Does the rail access to the land-backed wharf at Bunbury permit direct loading from railway wagons to ships' holds?

(2) If not, are there any plans to permit this to be done?

Mr. O'CONNOR replied:

(1) Yes.

(2) Answered by (1).

6. GOVERNMENT EMPLOYEES (PROMOTIONS APPEAL BOARD) ACT

Section 5 (1a)

Mr. DAVIES, to the Premier:

(1) What is the actual figure applying to "justiciable salary or wage" under section (5) subsection (1a) of the Government Employees (Promotions Appeal Board) Act?

(2) To what grade on the Public Service scale of salaries would this figure be equivalent?

Sir DAVID BRAND replied:

For the Public Service—

(1) $8,500 Clerical Division.
$7,977 General Division.
$7,226 Professional Division.

(2) C-II-11 Clerical Division.
G-II-11 General Division.
Various levels within each occupational group in the Professional Division.

7. SEWERAGE

Swan View-Greenmount-Helena Valley

Mr. BRADY, to the Minister for Water Supplies:

(1) Adverting to question 33 on the 13th August and answers thereto, re Swan View-Greenmount-Helena Valley deep sewerage, would he state if there are two schemes running conjointly in a north easterly direction?

(2) If "Yes" will the northern main sewer cater for the area of Swan View by 1974, or will the alternative route be used to cater for Swan View and areas west thereof at a later date?

(3) Can an estimate of the date be forecast?

Mr. ROSS HUTCHINSON replied:

(1) to (3) No. The Metropolitan Water Board is currently constructing one Northern Main Sewer which will have capacity for Swan View and areas west thereof, when the necessary connecting sewers have been provided. At this stage no forecast can be made of a date for the Swan View area.

8. PROBATE

Milk Vendors' Estates

Mr. BRADY, to the Minister representing the Minister for Justice:

(1) Is there a current valuation for probate in respect of the estate of a retail milk vendor for wholesale and retail sales to shopkeepers and individual customers?

(2) Would he state valuations applying to milk vendors' estates at the present time?

Mr. COURT replied:

(1) Yes.

(2) Wholesale—from $40 to $50 per gallon.
Retail—from $100 to $140 per gallon.

9. FRUIT-FLY BAITING SCHEME

Ballot: Swan Shire

Mr. BRADY, to the Minister for Agriculture:

(1) As a recent vote of ratepayers in part of the Swan Shire was taken on the subject of "fruit fly spraying, etc.", can he state the result of the voting?

(2) Is the determination of the elections binding on all Swan Shire residents?

(3) Are ratepayers of East Guildford —partly in the old Swan-Guildford area and partly in the old Midland area—entitled to opt out of existing fruit fly scheme if the ballot is carried in the negative?

Mr. NALDER replied:

(1) The proposal was not agreed to. 60 per cent. of those voting must be in favour for a poll to be agreed to. Only 45 per cent. were in favour.

(2) The determination of the election only applies to the area for which the poll was held; namely, the Midland townsite area and the urban area of Middle Swan as described in a notice published in *The West Australian* of Saturday, the 1st August, 1970.

(3) No. The area concerned did not include the existing Guildford area. That scheme will therefore continue to operate.

10. RAILWAYS

Goods Service: Kewdale

Mr. BRADY, to the Minister for Railways:

(1) Are all merchants receiving or despatching goods in and from the metropolitan area now required to obtain or forward same from Kewdale?

(2) What stations in the metropolitan area have been closed against receiving or forwarding merchandise which previously operated before the establishment of Kewdale depot?

(3) What is the approximate tonnage of goods received or despatched from Kewdale as the result of the new arrangement?

Mr. O'CONNOR replied:

(1) No, but after the closure of business on the 2nd October, 1970 the following points only will be available:

Parcels Traffic—

Fremantle.
Subiaco.
Perth Parcels.
Maylands.
Guildford.
Midland.
Kewdale.
Gosnells.
Armadale.

Goods Traffic—

Kewdale Freight Terminal—All traffics.

Fremantle and Armadale—All traffic excepting wagon load consignments to or from the following sections which involve standard gauge transit:—

(i) Grass Valley-Kalgoorlie inclusive.
(ii) Leonora and Esperance branch lines.
(iii) Merredin - Kondinin inclusive.
(v) Merredin - Nungarin inclusive.
(vi) Merredin-Bruce Rock -Nornakin inclusive.
(vii) Eujinyin-Kwolyin inclusive.

Fremantle will also handle less than wagon load interstate consignments but Armadale will not.

Robb Jetty and North Fremantle—Wagon load consignments only for both narrow and standard gauge services.

Subiaco and Guildford—Consignments up to a maximum of 2 cwt. only but not including interstate consignments.

(2) The following points have been or will be closed as goods and parcels handling stations:—

Perth Goods, from the 2nd October, 1970.
Cottesloe, from the 2nd October, 1970.
Claremont, from the 2nd October, 1970.
West Leederville, from the 2nd October, 1970.
West Perth, from the 2nd October, 1970.
Claisebrook, from the 2nd October, 1970.
*Maylands, from the 2nd October, 1970.
Bassendean, from the 2nd October, 1970.
*Midland, from the 2nd October, 1970.
Carlisle, from the 2nd October, 1970.
Welshpool, Goods from the 1st November, 1969; Parcels, from the 2nd October, 1970.
Rivervale, Parcels from the 1st November, 1969.
Cannington, Parcels from the 2nd October, 1970.
Maddington, Parcels from the 1st August, 1970.
*Gosnells, Parcels from the 1st August, 1970.
Kelmscott, Parcels from the 1st August, 1970.
*Parcels traffic will continue to be handled at Maylands, Midland and Gosnells.

(3) Present monthly tonnages handled at Kewdale are—

Inwards—47,790 tons.
Outwards—15,377 tons.

After the 5th October, 1970, it is anticipated tonnages will be—

Inwards—50,300 tons.
Outwards—22,600 tons.

11. ELECTRICITY SUPPLIES

Boundary Poles: Provision by Home Owners

Mr. BRADY, to the Minister for Electricity:

(1) Has the State Electricity Commission recently decided that home owners now, at their own cost,

must provide poles in or on the boundary of the land concerned to ensure an 18 feet clearance for S.E.C. lines over roads into old established or new homes drawing on electricity supplies?

(2) At what point is the new system or regulation being enforced?

(3) Is not the provision of such poles as referred to in (1) a legitimate charge against the S.E.C. and not the home owner?

Mr. NALDER replied:

(1) No.

(2) Consumer's service poles must be installed in those cases where the consumer has not provided any other suitable structure high enough to support his end of the service main with adequate clearance from the road and or private property crossed by such main.

(3) No, see (2).

12. POLLUTION

Lakes and Swamps: Swan Coastal Plain

Mr. TAYLOR, to the Minister for Works:

(1) In recent years have water purity tests, including bacteriological counts, been taken of those swamps and lakes upon the Swan coastal plain?

(2) If "Yes" would he table the various reports?

Mr. ROSS HUTCHINSON replied:

(1) Yes, in 1970 nineteen lakes were sampled by the Metropolitan Water Board.

(2) A summary of results obtained is tabled. Lakes or swamps associated with main drainage works have been underlined.

The document was tabled.

13. 1871 PENSIONS

Review

Mr. FLETCHER, to the Premier:

(1) Is he aware that there is still a small number of pensioners under the 1871 Superannuation Act, most of whom are well into their eighties?

(2) Would it be true to say that recent adjustments to the pensions payable under the Superannuation and Family Benefits Act, 1938, had as their objective an adjustment to compensate for the increased cost of living since the pension became payable?

(3) Would not these increased costs have also been borne at least as heavily on the 1871 Act pensioners?

(4) Have representations been received from any of these pensioners?

(5) Will consideration be given to expediting a review of the rates presently payable to the 1871 Act pensions, with a view to making an early and favourable decision on this matter?

Sir DAVID BRAND replied:

(1) Yes.

(2) Yes.

(3) Yes.

(4) Representations have been made in the past.

(5) Pensions payable under the 1871 Act were reviewed at the same time as those under the 1938 Act and have been adjusted in a similar manner to compensate for increased costs of living.

14. AIR TRANSPORT

T.A.A.: Intrastate Services

Mr. NORTON, to the Minister for Transport:

(1) Can he advise the House if Trans Australia Airlines have applied for an intrastate license for Western Australia and, if so, with what result?

(2) If a license is granted, will it be for the routes now operated by Ansett/M.M.A.?

Mr. O'CONNOR replied:

(1) Trans-Australia Airlines has not applied for an intrastate air service license for Western Australia.

(2) If an application is submitted it would be considered on its merits and with due regard to existing services.

15. *This question was postponed.*

16. TRUSTEES ACT

Amendment

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

Considering the fact that many of the investments described in section 16 of the Trustees Act, 1962, have fluctuated in value and often show considerable loss, will he give consideration to amending the said Act by introducing a periodical compulsory review of all trust investments under section 16 and/or make recommendation to this extent to the Standing Committee of Attorneys-General?

Mr. COURT replied:

There is no need to amend the Act as section 16 sets out classes of investments in which trustees may invest. Trustees have a responsibility to review from time to time investments under their control.

17. EDUCATION

East Kelmscott: Primary School Site

Mr. RUSHTON, to the Minister for Education:

(1) Has acquisition of a primary school site to serve East Kelmscott (Clifton Hills) been finalised?

(2) If "No" when is the purchase expected to be completed?

(3) What is the area of the site to be acquired?

(4) Is it intended to have this school ready for commencement of the 1971 school year?

(5) If "No"—

(a) when is it intended to build this school;

(b) how is it intended to cope with increased students expected at Kelmscott Primary School at the beginning of and through 1971?

Mr. LEWIS replied:

(1) Negotiations are complete and the Crown Law Department is attending to the settlement, which should be finalised in two weeks.

(2) See answer to (1).

(3) 10 acres.

(4) No.

(5) (a) During 1971, ready for 1972.

(b) With one demountable on the Kelmscott primary site if enrolments increase to the level where such temporary accommodation becomes necessary.

18. POINT PERON-GARDEN ISLAND CAUSEWAY

Ecology: Investigations

Mr. RUSHTON, to the Minister for Works:

(1) Regarding scientific investigations into the effect of the proposed causeway on the ecology of Cockburn Sound, have there been any investigations other than those by the Fremantle Port Authority and Sheen Laboratories Pty. Ltd. to establish environmental standards in the sound?

(2) If "Yes" what was the name and nature of these inquiries?

(3) Relating to my question 9 on the 27th August, part 2, where and when will the Commonwealth Department of Works present the detailed engineering investigations and designs of the Peron-Garden Island causeway to the Commonwealth Parliamentary Standing Committee on Public Works at a public hearing?

Mr. ROSS HUTCHINSON replied:

(1) Yes.

(2) In preparing the design of the causeway the Commonwealth Department of Works undertook such investigations. No details are available.

(3) In Canberra on the morning of Tuesday, the 29th September, 1970.

19. SEWERAGE

Crown Land: Rockingham

Mr. RUSHTON, to the Minister for Works:

Acknowledging that a considerable number of Crown land building blocks at Rockingham are withheld from release because of the need to impose deep sewerage in addition to other development conditions, how and when is it intended to provide deep sewerage to this subdivision?

Mr. ROSS HUTCHINSON replied:

The board has no plans for sewering vacant Crown land at Rockingham.

20. TITLES OFFICE

New System

Mr. CASH, to the Minister representing the Minister for Justice:

(1) In regard to the new documents procedures at the Titles Office, can he advise if the system is working to the satisfaction of—

(a) the public;

(b) the legal profession;

(c) the estate agents; and

(d) the administrative staff of the Titles Office?

(2) Has the new system resulted in delays in settlement of land transactions?

(3) Having regard to the fact that one reason for the new system was to eliminate errors in documents, how many documents, incorrect in some detail, have been submitted by solicitors and then subsequently rejected for registration by the Titles Office?

Mr. COURT replied:

(1) (a) to (c) No complaints have been received. Some complimentary remarks have been made.

(d) The system is working very satisfactorily as far as the Titles Office is concerned.

(2) Not known to the Titles Office.

(3) No records have been kept segregating errors occurring in documents submitted by solicitors as distinct from errors in documents

submitted by other persons. There would be no point in keeping such records as not all documents presented by solicitors are prepared by them.

21. CONSUMER PROTECTION COUNCIL

Establishment

Mr. CASH, to the Minister representing the Minister for Justice:

Can he advise what progress has been made in the Government's examination of the need within this State for the establishment of a Consumer Protection Council or for the appointment of a Commissioner for Consumer Affairs?

Mr. COURT replied:

The Standing Committee of Attorneys-General is still considering the Rogerson Committee's report on consumer credit. The establishment of a consumer protection council or the appointment of a commissioner for consumer affairs will be considered when these deliberations are completed.

22. RAILWAYS

Station and Goods Shed: Collie

Mr. JONES, to the Minister for Railways:

(1) Further to my question of the 13th August, 1970, will he advise if any decision has been made to shift the railway station and goods shed at Collie?

(2) If "Yes" will he advise when the changes will take place?

(3) If "No" when is it anticipated that a firm decision will be made?

(4) Is it intended to sell or lease any railway land which will be vacant as a result of the change?

Mr. O'CONNOR replied:

(1) No decision has been made.

(2) Answered by (1).

(3) The proposal emanates from the shire council's town planning consultant. Until the proposal is accepted by the shire and a decision made regarding financial obligation, no further action will be taken.

(4) Answered by (3).

23. EDUCATION

Cannington Senior High School

Mr. BATEMAN, to the Minister for Education:

(1) Have tenders been called for a pre-vocational centre for Cannington Senior High School?

(2) If "No" would he give reasons?

(3) If "Yes" would he advise the date of commencing and the approximate date of completion?

(4) What specific activities will be catered for in the proposed pre-vocational centre?

Mr. LEWIS replied:

(1) No.

(2) It is anticipated that a commission will be issued to an architect within two weeks.

(3) Actual date of commencement not yet determined but it is anticipated completion will be for February, 1971.

(4) Home handyman, general metal, and transport courses.

24. RAILWAYS

Loco Depot: Collie

Mr. JONES, to the Minister for Railways:

In view of the fact that I was advised on Thursday, the 13th August, 1970, in reply to a question that locomotive crews based at Collie will continue—

(1) Has a decision been made to close the Collie locomotive depot within 18 months?

(2) If "No" have any changes in policy been made?

(3) Will he advise the reasons for such changes?

Mr. O'CONNOR replied:

(1) No, but personnel will be progressively reduced with dieselisation and it is anticipated that complete dieselisation will be effected within 18 months.

(2) No.

(3) Answered by (2).

25. RAILWAYS

Tonnages and Freight: Nickel Concentrates

Mr. MAY, to the Minister for Railways:

(1) What are the monthly tonnages of nickel concentrates railed from West Kalgoorlie to Kwinana for—

(a) June, 1970;

(b) July, 1970;

(c) August, 1970;

(d) September, 1970—as at the 21st September?

(2) What is the total monthly revenue received for each month?

(3) What is the rate per ton for nickel concentrates from West Kalgoorlie to Kwinana?

Mr. O'CONNOR replied:

(1) (a) 5,723 tons.
(b) 6,059 tons.
(c) 8,515 tons.
(d) 5,509 tons.

(2) (a) $71,695.
(b) $75,465.
(c) $106,022.
(d) $68,642 approximately.

(3) $12.38 per ton plus a total of $4.00 per wagon siding haulage.

26. ST. JOHN AMBULANCE

Drivers: Observance of Traffic Laws

Mr. LAPHAM, to the Minister for Traffic:

(1) Is he aware—

(a) of the attitude of the St. John Ambulance Association in restricting its drivers to complete observance of the traffic laws;

(b) that this procedure is also followed even when the ambulance is escorted by police traffic patrolmen?

(2) Does he consider—

(a) that this procedure is necessary at all times; or

(b) does he consider discretionary powers should be left with the driver in cases of urgency?

(3) If "Yes" to (2) (b), will he take action to have ambulances proceed to and from accident scenes as expeditiously as possible having regard to reasonable safety factors?

Mr. CRAIG replied:

(1) (a) and (b) Yes.

(2) (a) Yes.
(b) The Road Traffic Code gives the driver discretionary powers, but this may be restricted by the policy of his employer.

(3) Answered by 2(b).

27. IRON ORE

Direct Shipping Quality: Pilbara

Mr. GRAYDEN, to the Minister representing the Minister for Mines:

What are the—

(a) proven;

(b) inferred,

reserves of direct shipping ore at each of the known iron ore deposits in the Pilbara?

Mr. BOVELL replied:

The reported reserves for the deposits which either are being or are shortly to be mined are as follows:—

	Proved		Inferred	
	High-grade*	Low-grade*	High-grade*	Low-grade*
Mt. Goldsworthy	40	....	20	....
Mt. Tom Price	250	27	300	55
Mt. Whaleback	350	20	650	180
Paraburdoo	400	....	280	....
Robe River	....	300	....	1,000

(all figures in millions of long tons)

(* High-grade = above 60 per cent. iron, low-grade = below 60 per cent. iron; "high-grade" is a more exact term for what is loosely described as "direct shipping ore.")

In addition to these there are in the Pilbara, a number of separate deposits which differ widely in grade, size, and state of exploration, and which are held by companies additional to those currently mining. The regionally grouped figures for inferred reserves of this kind are:—

Pilbara north of the Hamersley Range	350	million tons
Hamersley Range (inc. Weili Wolili)	3,250	,,
North Ophthalmia Range	1,500	,,
South Ophthalmia Range	800	,,
Other areas of Pilbara	2,600	,,
Total	8,500	million tons

These estimates are liable to major modification as exploration proceeds.

28. IRON ORE

Grades: Blending

Mr. GRAYDEN, to the Minister representing the Minister for Mines:

(1) Which of the producing iron ore mines in the Pilbara have failed to blend their iron ore in conformity with standard practices, and have therefore supplied buyers with substantially in excess of stipulated standards?

(2) If this practice has been going on, have the iron ore companies received a bonus for ore which is of higher grade than specifically provided for in the relevant contracts?

Mr. BOVELL replied:

(1) None.

(2) All iron ore companies in the Pilbara receive a bonus where the grade in any shipment of ore is higher than the base grade stipulated in the relevant contracts. Likewise all incur a penalty where the grade of ore shipped is lower than the stipulated minimum grade.

29. DROUGHT RELIEF

Water Supplies

Mr. GAYFER, to the Treasurer:

Has any decision been reached for the supply of water under the same conditions as pertained last year to farmers still experiencing stock water shortages due to drought last year and insufficient rains to replenish water supplies this year?

Sir DAVID BRAND replied:

Yes. In areas to be declared "drought affected" and in those to be declared "water deficiency areas" water for stock will be available free from key points and from public standpipes on the comprehensive water scheme. Shire councils will be expected to record and supervise the taking of water by farmers.

30. ROLEYSTONE RETICULATED WATER SUPPLY

Upgrading

Mr. RUSHTON, to the Minister for Works:

Relating to the Roleystone reticulated water supply—what upgrading to this scheme—

(a) has been carried out in the past two years;

(b) will be installed in this and the following two years?

Mr. ROSS HUTCHINSON replied:

(a) Sections of the suction main to the Brookton Highway pumping station have been replaced in 12 in. diameter steel.

Improvements have been carried out to the rising main to the Raeburn Road tank.

Boosters were installed at the Urch Road pumping station to improve pumping to the Raeburn Road tank.

Reticulation mains have been installed as new subdivisions have been approved.

(b) New pumps have been purchased and will be installed in a re-arranged Brookton Highway pumping station for summer 1970-71.

Consideration is being given to the provision of new pumps for the Urch Road pumping station.

31. TOTALISATOR AGENCY BOARD

Agencies: Number in City Area

Mr. BURKE, to the Chief Secretary:

(1) How many Totalisator Agency Board agencies are located in the area bounded by Havelock Street, Wellington Street, Hale Street and Riverside Drive?

(2) What is the location of each?

(3) Would be please list them in order of turnover?

(4) Has the Totalisator Agency Board any proposal for increasing the number of agencies in the area referred to?

Mr. CRAIG replied:

(1) Nine.

(2) Agency No. 1—
120 Barrack Street, Perth.

Agency No. 3—
133 William Street, Perth.

Agency No. 4—
577 Murray Street, Perth.

Agency No. 6—
Shop 9, Cremorne Arcade, Perth.

Agency No. 9—
847 Hay Street, Perth.

Agency No. 53—
37 Adelaide Terrace, East Perth.

Agency No. 78—
12a Royal Arcade, Perth.

Agency No. 116—
235 Hay Street, East Perth.

Agency No. 10—
343 Hay Street, Perth.

(3) Agency No. 1.
Agency No. 3.
Agency No. 78.
Agency No. 9.
Agency No. 116.
Agency No. 10.
Agency No. 4.
Agency No. 6.
Agency No. 53.

(4) No.

32. RAILWAYS

Central Perth Railway: Sinking

Mr. BURKE, to the Premier:

(1) What are the terms of reference of the committee planning the sinking of the central Perth railway?

(2) (a) How many tracks are being sunk, of what gauge, and to what depth;

(b) can the planning committee modify these requirements if they prove to be unsuitable to the planning of the area?

Sir DAVID BRAND replied:

(1) The Perth Central Railway Area Planning Committee is recommending a plan to the Government for the development of the area released by the proposed railway lowering.

(2) (a) and (b) Initially four three foot six inch gauge tracks were planned but no final determination will be made until receipt of the Perth regional transport study report.

33. *This question was postponed.*

34. WYNDHAM MEAT WORKS

Removal from American Import List

Mr. RIDGE, to the Minister for Agriculture:

(1) Has the Government been advised of the reasons for the Wyndham meat works being removed from the United States Department of Agriculture approved list of beef importers?

(2) Are there any indications that the Broome and Derby works will also be banned by the United States of America?

(3) In view of the fact that previous United States Department of Health inspections have not indicated that the works constitute a health hazard, will he take steps to ensure that Western Australian interests are not discredited and unduly penalised by unreasonable trivialities?

(4) Does he know if it has been determined what action the Commonwealth Department of Primary Industry proposes taking to have the works restored to the American import list?

Mr. NALDER replied:

(1) No.

(2) No information is available at this stage.

(3) This is a matter for the Commonwealth Department of Primary Industry but it is understood that all measures possible are being taken to ensure that the position will be rectified.

(4) As announced in the Press this morning, senior veterinarians of both the Commonwealth Department of Primary Industry and the U.S. Department of Agriculture intend visiting Wyndham in the very near future for this purpose.

35. *This question was postponed until the 6th October.*

36. WEST AUSTRALIAN SPEED BOAT CLUB

Racing Area and Club Site

Mr. LAPHAM, to the Minister for Works:

(1) Has the Western Australian Speedboat Club made representations to him for—

(a) an area of still water on which to conduct speedboat racing; and

(b) a site for a club centre?

(2) If "Yes" has the request been acceded to?

(3) If a decision has not been made, to what stage has consideration of this matter reached, and when is it anticipated that a final determination will be made?

Mr. ROSS HUTCHINSON replied:

(1) No.

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

37. LODGING HOUSES

Licensing

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

(1) Is it necessary to license—

(a) guest houses;

(b) boarding houses;

(c) rest homes?

(2) If "Yes" by what statutory authority in respect of each of the above?

Mr. ROSS HUTCHINSON replied:

(1) and (2) "Guest houses", "boarding houses" and "rest homes" are alternative names for "lodging houses" which, under the Health Act, are required to be registered with the local authority for the area.

38. TITLES OFFICE

New System

Mr. TONKIN, to the Minister representing the Minister for Justice:

(1) Was a letter sent out from the Titles Office to members of the legal profession drawing attention to the occurrence of much incorrectness which had resulted in a number of dealings not being accepted for registration since the new system has been introduced?

(2) If "Yes" what number of dealings was mentioned?

(3) Since the introduction of the new system, how many dealings had not been accepted for registration because of incorrectness in some detail up to the end of August?

(4) Will he table a copy of the letter sent from the Titles Office to members of the legal profession relating to non-acceptance of dealings because of incorrectness in detail?

(5) Since the introduction of the new system at the Titles Office under which members of the legal profession prepare the documents relating to the dealings, has the proportion of dealings in relation to which there has been incorrectness in some detail increased as compared with what occurred under the previous system in operation?

Mr. COURT replied:

(1) No.

(2) Answered by (1).

(3) Number of documents rejected or withdrawn from registration to the end of August—782. However an indeterminate number of documents are held from time to time awaiting satisfaction of requisitions.

(4) See answer to (1).

(5) No. In any case members of the legal profession are not the only persons who prepare documents and lodge same in the Titles Office.

BILLS (3): INTRODUCTION AND FIRST READING

1. Appropriation Bill (Consolidated Revenue Fund).

   Bill introduced, on motion by Sir David Brand (Treasurer), and read a first time.

2. Bush Fires Act Amendment Bill.

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

3. Western Australian Institute of Technology Act Amendment Bill.

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

DAIRYING INDUSTRY

Inquiry by Select Committee: Motion

MR. H. D. EVANS (Warren) [4.56 p.m.]: I move—

> That a Select Committee be appointed to inquire into the dairying industry of Western Australian in respect of:—
>
> (1) the costs, returns and economic trends within the industry;
>
> (2) the effects of the sectionalised control of the industry;
>
> (3) the probable results of the Marginal Dairy Farms Reconstruction Scheme upon the dairy industry;
>
> and make such recommendations which could assist in resolving the problems revealed by the investigation.

In so moving I would point out that the dairying industry in Western Australia has gradually declined over a period of years until it has become unwieldy, complex, and disunited. Today there is certainly a need for some reorganisation at all levels of the industry and this must be done with a certain degree of urgency, otherwise the manufacturing section of the industry could decline still further to a crippling level.

At the moment the prognosis in regard to this section is not very bright. However, with a steady increase in whole-milk production over the last few years and the possibility that there may be butter and cheese quotas fixed for each State, some stability and harmony could be achieved throughout the whole of the industry provided there is reorganisation which could obtain a complete reorientation of the industry, which is the intention behind this motion; that is, that a Select Committee be appointed to inquire into the problems besetting the dairying industry with a view to recommendations being made towards their solution.

Dairying in Western Australia is, to a very large extent, dependent on the overall position of the industry throughout the Commonwealth and indeed upon the world export trade in dairy products. It is against this background that we must have regard to the circumstances relating to dairying in this State. As far as Australia is concerned, dairying is a major industry inasmuch as it provides employment, directly or indirectly, for something in excess of 600,000 people—

The SPEAKER: Order! There is far too much talking going on in the Chamber.

Mr. H. D. EVANS: —which, incidentally, is approximately 5 per cent. of the national work force. The industry provides material for about 500 factories of one kind or another, and they have approximately 12,000 workers on their payroll. The total wages paid to these people is in the vicinity of $50,000,000 a year. It should also be pointed out that many of these factories are located in country areas and consequently we have a measure of decentralisation afforded by them effecting a distribution of the population throughout the country districts which otherwise would not be achieved.

In Western Australia there are about 21 factories of varying kinds, of which six are engaged in the manufacture of butter; five in the manufacture of cheese; three in the manufacture of processed milk; and four in the manufacture of ice cream; and an additional 10 factories are classified as chilling, bottling, or processing plants. Bearing in mind that this industry has some significance, we could be profitably employed in examining the trends of the world market situation.

This, of course, is overshadowed by the European Common Market, which embraces some countries within the European economy, and they have an excess in the vicinity of 300,000 tons of butter at the moment. Much of this butter is sold at subsidised levels on the traditional markets, and this hits right back at not only Western Australia but Australia.

Furthermore, we find that competition from New Zealand and Ireland is increasing steadily, to the detriment of our own product. The United Kingdom has shown a steady increase in the production of all forms of farm produce; and while the consumption is static there is little prospect of a worth-while increase in the exports from Australia to that country.

The United States of America has been limiting production of many of its commodities in recent years, and butter is one of them. The domestic industry there has a powerful lobby which is very sensitive to export and import trends. The small world markets do not offer any great hope to Australia at the moment, but some expansion is possible in these areas.

At the moment the rather unhappy picture is the probability of the European Common Market embracing Britain. When that eventuates it will reduce Australia's existing markets rather drastically, because the United Kingdom market takes about 67 per cent. of the butter exports and 44 per cent. of the cheese production of Australia.

Not only is the U.K. market jeopardised, but other markets as well are jeopardised, because in the smaller markets butter and butter oil for use in the reconstitution factories are sold at reduced prices. This pressure has placed a very great strain on Australian products. In the existing situation it is rather difficult to visualise a great increase in our traditional markets.

I would point out that the 1969 report of the Australian Dairy Produce Board shows that the E.E.C. countries as at May, 1969, had a surplus of 364,000 tons of butter; and this quantity is 93,000 tons above the surplus as at May, 1968, and 194,000 tons above the surplus as at May, 1967. This is roughly the situation which the Australian industry faces.

I draw attention to a very enlightening article which appeared in *The Countryman* of the 4th June, 1967, and which revealed that something like 500,000 head of dairy stock had been slaughtered in the European Common Market countries, and that the carcases had been sold off as beef. This indicates a very real effort on the part of those countries to reduce their unsalable surplus. If they make an effort of that magnitude it suggests that very little charity will be extended to the Australian dairying industry.

Bearing that situation in mind and the fact that time is rather limited, the experts seem to be offering a diversity of opinion as to when the European Common Market will admit the United Kingdom. The consensus of opinion seems to be in about seven or eight years' time. If we do not achieve some degree of reorganisation of the industry within that time the situation may become very desperate, indeed; so much so that very little will be able to be done at that stage.

Butter production within Australia has shown some very interesting trends in the last decade. Probably the best illustration is to be found in the statistics that are available from the bureau. There was a considerable variation in production, from 170,000 tons in 1960-61 to a record high of 220,000 tons in 1969-70. This reveals that in the year 1966-67 there were 218,000 tons produced, but in the five-year period prior to 1966-67 the production was constant at around 200,000 tons. This is a fairly important figure, because Mr. Anthony (Minister for Primary Industry) has based much of his thinking and intentions on this particular figure.

There has been some variation in the figures of production. In 1966-67, and in the following two years, drought was experienced in several of the States. In the last-mentioned two years the production of 193,000 tons and 196,000 tons respectively was recorded.

The position of the industry in Victoria is the opposite of the position that exists in the other States. Victoria has maintained its dairying industry in a relatively healthy state. In 1959-60 Victoria produced in the order of 89,000 tons of butter, and in 1969-70, which is 10 years later, that State is expected to produce 140,000 tons. This is a marked increase. In 1959-60 the production of Victoria represented 46 per cent. of the total production of Australia, but a decade later its percentage figure of production was reversed to 64 per cent. of the total production. Further increases in that State are foreseen.

Victoria has paid special attention, has made available finance, and has offered every incentive to the dairying industry. The 64 per cent. of the Australian production which Victoria produces means that, in round figures, Victoria is responsible for something in the order of 85 per cent. of the total Australian exports. The prognosis for the year 1970-71 is a production figure of 230,000 tons, and this figure has been supported by the Dairy Produce Equalisation Committee.

The consumption of butter within Australia has declined somewhat, and it is held at about 115,000 tons per annum. Several factors have affected the home consumption, and although there his been a drop in the *per capita* consumption there has been an increase in the use of this commodity for manufacturing purposes. The feature to be established is that Australia is very dependent for its exports on the viability of the dairying industry, and usually about 40 per cent. of the production has been exported when the total Australian production has stood at around 200,000 tons.

The equalisation scheme upon which the industry depends is very important to all the States. It was commenced in 1934, and it was based on a system of voluntary agreement between participating manufacturers and the Commonwealth Dairy Produce Equalisation Committee, which was formed at the time for this purpose. In broad principle it involves the annual pooling of all local and export sales, so that all factories receive the same balanced return for butter, cheese, or casein. These are the three particular commodities involved, but provision is made to cover other dairy products. Irrespective of the markets in which the products are sold, the equalised return is the same to all participants.

In the operation of this scheme a Commonwealth levy has been imposed to raise finance, and it is from this that equalisation payments are made. The levy may be imposed on a wide range of products, but it is only applicable to the three commodities I have mentioned. The proceeds of the levy are used to make equalisation payments; and they can also be used to offset the costs of cold storage, and the rest.

The current stabilisation scheme is the fifth one that has been implemented, and it came into operation on the 1st July, 1957. There is some significance in the stabilisation scheme which should not be overlooked. The current five-year period coincides with the termination of the Marginal Dairy Farms Reconstruction Scheme in respect of which agreement has been reached in the Federal sphere. This scheme is to become operative in Western Australia in the very near future.

It has been suggested there is a possibility that at the end of the reconstruction scheme the Commonwealth Government may re-examine the equalisation scheme, and with a hardening of feeling it may withdraw some of the stabilisation support which it now offers. This is why the dairying industry should be placed on as firm a basis as possible with the minimum of delay. It is, of course, a voluntary scheme as far as equalisation is concerned, but the strength of the scheme lies in the fact that the Commonwealth bounty is paid only to companies which participate, and it is the processing firms which become the disbursing agents.

In 1967-68 and 1968-69 values were underwritten by the Commonwealth Government. This enabled factories with average manufacturing costs to pay processors a price of 37c per lb. for commercial butterfat. Furthermore, the Commonwealth has underwritten certain sterling devaluation payments. The amounts involved in these two types of payments have been fairly considerable, and, as a matter of fact, over the last two years they have increased very considerably. When the devaluation committee was set up it examined all aspects of not only this industry but other industries as well.

To highlight the point of the dependence of butter production upon the export markets, and the impact of the stabilisation scheme upon producers, I quote three figures of production for the years 1960-61, 1964-65, and 1967-68 as being representative. In 1960-61, of a total production of 197,000 tons, the home consumption was 111,300 tons and exports totalled 63,100 tons. In 1964-65 home consumption increased to 113,200 tons and exports totalled 96,500 tons. In 1967-68 home consumption reached 115,000 tons where it seems to have levelled off, and exports totalled 79,100 tons. This is roughly the trend which is revealed in the national picture.

Of course, the importance of equalisation cannot be minimised; however, equalisation has experienced a serious disability in recent years. When it was introduced in the pre-war days it was suggested by a Federal member of Parliament (Mr. Paterson, the member for Gippsland) that on the prevailing prices Australia exported 1 lb. of butter for every 3 lb. consumed at home. His mathematical approach was rather ingenious, as it was simple. He simply imposed a levy of 3d. on every 3 lb. of butter consumed on the home market, and added this amount as a subsidy to every pound of butter that was sold on the London market. This equalised the price at 1s. 3d. per lb. Today, as we are aware, Australia is exporting 1 lb. of butter for every 1¼ lb. that is consumed at home; so the situation has become very unbalanced. Of course, this is one of the difficulties which the Federal Government faces in respect of equalisation.

Because of the difference between the domestic and export prices, which is the difference between about 47.3c and 20.5c a pound, the proportion exported on the overseas market has always had a very decided effect on local producers. With production at 200,000 tons the estimated return to growers can be set at 33.6c a pound on a commercial butter basis, but each additional 10,000 tons of production, because of our equalisation scheme, would result in a reduction of 1.2c a pound on all butter produced. So, by increasing our present amount, we reduce the price. On 230,000 tons the estimated return would be 30c a pound on a commercial butter basis and, of course, it would decline further if production went beyond this level—that is if it could be sold at all.

The amount of carryover from this year when production is expected to be 220,000 tons could well be 5,000 tons. In the 1970-71 year, with an increase to 230,000 tons, the overall surplus at the end of that year could be in the order of 20,000 tons. This poses the Government a problem concerning whether it is going to

underwrite the existing stabilised price at 34c; and to do so it would have to increase its share of the bounty. Mr. Anthony has suggested he is not prepared to go on with this indefinitely.

A number of articles have been published making reference to just this point. As a matter of fact, the very question necessitated headlines in *The West Australian* of the 24th June this year. It can be readily seen that the consequences of achieving a production of 230,000 tons of butter will be very grave.

It will lead firstly to a reduction in the price which will be returned to producers. It could involve a financial commitment on the part of the Commonwealth in excess of $20,000,000. It could leave an additional 15,000 tons of surplus butter to be disposed of on an already overtaxed market, and restraints upon the industry, as have been foreshadowed by the Minister for Primary Industry. In conjunction with farmer organisations of Victoria, an effort has already been made in this regard; and this has a direct effect upon Western Australia.

Just to give further background to the overall existing situation, the trends in our own State show that production in a manufacturing sphere has declined. The 1968 and 1969 seasons were considered to be below average, and so the decline in our numbers has been the major contributing factor to a levelling out of production in Western Australia.

Dairy cow numbers are down considerably now in comparison with what they were. They are down at this stage to approximately 192,000; and during the past four years the average decline has been in the vicinity of 9,000 head a year. However, this is not a consistent annual decline as it is subject to district variations, to which I will make further reference.

It is significant, too, that 1968 was the first year in which Western Australia declared a permanent butter shortage, and this was at the level of 120,000 boxes; that is, 60,000 cwt. The position has remained unchanged. So Western Australia is under-producing by a considerable amount.

While the production was, for that year, 236,000 boxes, it was 8 per cent. down on the previous year and 26 per cent. down on the record level of production we have experienced. This is a further situation which I wish to make clear.

Western Australia does not supply her own needs in butter by something in the order of 120,000 boxes each year, and this is a comparatively new situation brought about by the steady decline which has been manifested. My main interest in examining the position with regard to Western Australia is to study the population, consumption, and production trends. We find, as every member would be aware, that the population in Western Australia has been steadily rising. From the base figures produced by the Bureau of Census and Statistics it can be suggested that a population of 1,200,000 can be reasonably expected by 1976, which is only six years away. This population will require the equivalent of about 102,000,000 gallons of milk per annum while our current production is in the order of 56,000,000 or 57,000,000 gallons. Therefore, we can see that the increase necessary will be very considerable, but at the moment no increased trend is visible.

If we take this a little further and assume these levels will be constant and the *per capita* consumption will remain static at the present levels, the value of the total imports will be in the order of $15,000,000. This is a very considerable sum. Dairy products imported to the value of $15,000,000 will be required in 1976.

By 1980 a population of 1,350,000 could be anticipated, which means that a further increase will be necessary, bringing the amount to 115,000,000 gallons of milk. Even at present prices that will represent a shortcoming of $21,000,000. This is a very considerable adverse trade balance for this State to contemplate; and I feel that unless a move is made now it will be too late even to tackle bridging this gap.

I am not, of course, suggesting these estimates could be expected to be exact. That would require a greater degree of optimism than I have, but they are about the only thing we can regard as being some reasonably sure indication of the future. I have not suggested there will be any increase in production, because there is no visible trend at the moment and it is doubtful whether we will find it. The existing figures available would show that milk production in this State in the year 1960-61 was 58,500,000 gallons; in 1964-65 it was 61,800,000 gallons; in 1968-69 it was 57,800,000 gallons; and in 1969-70 it was 58,200,000. There is no evident upward trend in production; and this is due to a large number of factors.

The main ones would be that some herds are too small and remain static, and there is no possible chance of expanding them; the age of many farmers who do not want to become involved in increases and development at their age; and the low price of butterfat relative to livestock, preferably beef. This is a deterrent to farmers entering into the manufacturing aspect of dairying. Another factor is the increased carrying capacity of many farms facilitating diversification by including cattle or sheep, with or without a reduction in herd size.

This situation causes us to face no more than a static production for some time to come, but the State requirements will increase, as I have already demonstrated. I have full regard for the caution necessary when trying to make some forecast of this

kind, but I do not know of any other available material which enables us to do so. A person has been proved wrong on many occasions when endeavouring to project figures in this way. I am aware of this; but at the same time I cannot see any situation on the horizon at present which is indicative of some revitalisation of the industry.

I now draw attention to another angle of production as it stands in Western Australia; and, for many reasons, it is a very important consideration. Not only is overall production static at the moment, but, as members are aware, the dairying industry is divided into two parts; that is, one producing whole-milk for human consumption—the liquid milk trade if we like —and the other producing milk and cream which are used for manufacturing purposes. Therefore, as the milk production is rising, so is the whole-milk aspect of dairying, with a corresponding decline in the manufacturing side. This is the situation we must face.

The only available data on which we can place any reliance comes from within the whole-milk zone; and if we examine the figures to which we have access, we see that this is very well evidenced. Milk produced under contract, and the balance outside contract, is shown in the annual reports of the Milk Board.

In the report of 1960-61 we find that 16,300,000 gallons were produced under contract and 42,400,000 gallons were produced outside contract. Skipping the intervening years we find that in 1967-68 the contract milk had increased from 16,300,000 gallons to 24,000,000 gallons and the milk produced outside contract had declined to 34,900,000 gallons; and this trend continued in the two subsequent years. In 1969 the figures were 21,700,000 gallons and 36,053,000 gallons, and in 1969-70 the same situation prevails. While there has been a steady upward trend in the quantity of milk produced under contract, the amount outside contract has fallen. If we were able to obtain the figures for areas other than those licensed, the position would be found to be even worse, but no such figures are available.

Probably the clearest picture comes from further statistical records. In 1965-66 the total for Western Australia was 57,800,000 gallons. From licensed producers in that year the amount was 25,600,000, which means that those without licenses produced 36,100,000 gallons. In 1966-67 the State total was 55,600,000 gallons with 27,100,000 gallons and 28,400,000 gallons being the two applicable figures. In the year 1967-68 the State total was again 55,400,000 gallons. Licensed producers accounted for 28,200,000 gallons and those unlicensed—outside contract—accounted for 27,100,000 gallons. In 1968-69 the trend is further evidenced in that there was a total for the State of 57,800,000 gallons of which 37,300,000 gallons came from licensed holders and 26,400,000 gallons came from areas outside the licensed zone. In summary, in 1969, 54.2 per cent. of the State's requirement was obtained from licensed dairymen, while in 1970 it had risen to 56.8 per cent.

At the same time, however, the number of dairy herds has decreased and production on a *per capita* basis has risen. This all draws attention to the serious position that is developing on the manufacturing side of the dairying industry. It arises from throughput related to costs. In fact, this is the crux of the problems which exist on the manufacturing side of the industry. Under normal conditions, rising throughputs lead to lower costs of manufacture and this has been shown in, say, Victoria. Conversely a declining throughput—a declining availability of milk for manufacture—leads to increased costs of manufacture which are offloaded onto the producer in the industry. They cannot be offloaded onto the consumer. Coupled with rising costs of all kinds for labour, materials, services and all other farm inputs, a falling-off of the throughput makes a serious position become even desperate.

By comparison, the whole-milk industry is protected. It is unfortunate that the protection has not been extended to embrace the whole industry. The comparison between the manufacturing and the whole-milk industries is a very sharp one, and I do not think this could be denied. I hasten to reassure the member for Murray and the member for Harvey that I am not advocating for one moment that the level of the whole-milk farmer should be interfered with. This would be unthinkable. Perhaps it might be possible to retain the extension of whole-milk licenses at the level where their effect is much more than to allow an increase to compensate for increased costs. I will touch on this point a little later.

I must mention the contrast in the industries. Certainly we must safeguard one, but we must also have regard to the situation that has arisen in the other. The manufacturing industry comprises fellow dairymen—men who are in the same vocation as the whole-milk producers—who are incomparably worse off when we appreciate the contrast.

According to the latest survey made by the Bureau of Agricultural Economics, dairymen receive the lowest income of all in Australia. As a matter of fact, if we are to take as correct a figure, although it may be suspect, it is said to be 60 per cent. of the Australian average. Mr. Anthony quoted the results of the survey undertaken by the Bureau of Agricultural Economics and indicated the differentiation by pointing out that the average net income for the whole-milk producer was

$3,001 while that of the manufacturer was $2,001. The contrast is very marked indeed.

The present prices paid for butterfat are much the same as they were 14 years ago. In 1956 the figure was 39.5c and, in 1951-52, 42.63c; today it is still about 42c.

Mr. I. W. Manning: It is not as high as that.

Mr. H. D. EVANS: I have the figures before me which, as a matter of fact, were given in answer to a question. The return to the farmer was 4c per lb. less in the 1952-69 period to which I have referred. Even with subsidies and bounties, it is behind what it was 17 years ago.

Increased costs in agricultural economics have been assessed by a number of sources and, although no economist is particularly happy about indicating what the increased levels of expenses are in the various industries, they seem to average out somewhere between 3 per cent. and 4 per cent. per annum. This, of course, accentuates the position which we find in the manufacturing section. It affects all sections of the industry, but it is more striking and more difficult to absorb and overcome on the manufacturing side.

The disparity is the difference between something like 17c a gallon for milk bought for manufacturing purposes and something like 40c a gallon for milk which is used in the liquid trade. There is no equity in this. It is the same product and the same people are making much the same effort. Surely there is room for a study to be made to see if a way can be found to reduce this difference somehow or other.

When a license is given to a dairyman for the production of whole milk it is based on a minimum of 62 gallons per day. This is calculated roughly as being in the vicinity of $10,000 gross per year. On the farm the permissible daily quota would have to be supplemented by a minimum surplus. For ease of calculation perhaps we could take 62 gallons per day as the p.d.q. and a minimum surplus of 38 gallons per day to give a daily quota of 100 gallons. On this quantity a farmer would be paid 40.7c per gallon for 62 gallons and 38c per gallon for the surplus, provided it had a 4 per cent. butterfat content. This would yield him in the order of $11,800 per year. If this quantity was paid for at the ruling rate for manufactured milk it would yield somewhere in the vicinity of $6,000 a year. Consequently, the distinction I make is a very real one and is fairly extensive.

The value of a quota is also taken into account. In the sale of a farm it runs to the order of about $200 a gallon. Incidentally, this figure is taken into consideration when probate is assessed on a property. Therefore, if a farmer is given a 62-gallon quota, this virtually means a capital increase somewhere in the order of $12,000. This has side effects, too, inasmuch as the values of adjacent properties tend to rise. Certainly this appears to be a trend and, in addition, it has beneficial effects on the rates in an area. Consequently in terms of dairying, the whole-milk industry is a very desirable one from everybody's point of view.

I am not denying that the whole-milk dairy farmer has obligations. In the first instance, he has a capital requirement to meet and, in addition, when he enters into a contract the milk board demands certain things of him. Firstly, he must have approximately 200 to 250 acres of pasture and must measure up to certain standards. The quantity may vary with different districts but the requirement is somewhere in this order. Secondly, the quality of the milk must be up to the standard which fulfils the requirements of the Milk Board. This means it must have 3.8 per cent. butterfat content and 8 per cent. solids-not-fat content, and it must conform to a minimum bacteriological study. Thirdly, standards of buildings must conform to the minimum standard laid down by the board. This often requires a fair capital outlay to meet the standard and the upgrading of certain dairies and buildings to meet the inspection which is made. Last, but not least, bulk tankers have become a standard requirement, and other conditions have to be fulfilled. The quota has to be maintained for every day of the year —every one of the 365 days—and the qualifying period is during the latter months of the summer when the greatest difficulty is experienced.

No-one would suggest that these are not exacting requirements. Indeed, not all dairy farmers are prepared to measure up to them, and some would not accept the whole-milk quota. At the same time, while this responsibility is acknowledged by the whole-milk farmer, it is also recognised that it enables him to have a fairly reasonable standard of living.

The attitude in the manufacturing areas is, understandably, one of great concern. I have drawn attention to the static returns and the falling costs. There are several rays of hope, some of which could offer some lasting solutions to the problems of the dairying industry. I do not suggest for one moment that they will be quick solutions. The first is that a share of the expanding whole-milk market —not the market already existing—should in some way be passed on to the manufacturing section of the industry, with, at the same time, rationalisation of existing services.

Mr. Runciman: That section does get 50 per cent. of it.

Mr. H. D. EVANS: Not unless an area is declared. I will come to that in a moment.

In addition, it looks as though over a period, and looking well into the future, the dairying industry in this State could evolve as a single entity with the emphasis on whole-milk production, and with manufacturing requirements coming from the surplus in the whole-milk section of the industry. That seems to be the desirable approach and one which could provide the safeguards that will maintain a dairying industry in Western Australia.

Whole-milk production has expanded at a rate of about 6 per cent. per annum, while the annual increase in the population has been about 4 per cent. The reason for the increased whole-milk production is not so much the increased *per capita* consumption but rather the increased population and a tendency towards increased production of processed goods such as yoghurt, chocmilk, and so on. There is no guarantee that this rate of expansion will be maintained.

The policy of the Milk Board has been established and announced publicly. In accordance with the terms of the Act, licenses are granted to additional producers to meet requirements in specified areas. Of the State's present consumption of 58,000,000 gallons, 32,000,000 gallons are produced under quota, and somewhere about 10,000,000 gallons are by way of surplus. Additional producers are licensed, and something in the order of 40 producers will be selected in November of this year and declared in January next year, with the intention of bringing them into the industry in January, 1972. This takes in the Busselton district. The Capel district has been declared. Now the Busselton district is to be declared, and it is in that area that expansion will take place.

I do not want it to be thought that I intend to be critical of members of the Milk Board, past or present, but I draw attention to an obstacle that exists in the present Milk Act. This is a very real difficulty. While the Milk Act has been responsible for stabilising the whole-milk industry for many years—which is undeniable—at this stage it has limitations. The obstacle I have referred to is probably the major factor in preventing the whole industry from being declared open to whole-milk and moving in the direction of a united or solidified industry, which is the expressed hope of the Farmers' Union at the moment.

The operative phrase in the Milk Act is "the production, purchase, treatment, sale and distribution of milk for use by consumers within the State." That phrase binds the Milk Board to a specific task and it can have no regard for considerations outside those specific requirements of the Act. The board is not permitted, in its deliberations, to consider anything else. The overall well-being of the dairying industry does not enter into the board's considerations. For that reason I suggest the Milk Act could be regarded as redundant.

As it now stands, the dairying industry has become a pool from which the whole-milk section can draw its requirements as necessary. That is the situation that has arisen. I do not deny that the increase could be attributed to existing quota holders. It can be shown that the average has risen from 77.72 gallons in 1959-60 to 116 gallons this year. But while the increase should be sufficient to maintain or offset costs of production, a limitation must be imposed—although, I daresay, not with the full concurrence of the existing whole-milk producers. The expansion of whole-milk production could possibly be best achieved by a single authority.

Mr. Rushton: Have you had a look at that proposition in any detail?

Mr. H. D. EVANS: I am coming to that.

Mr. Rushton: You do not get around to it.

Mr. H. D. EVANS: I will come to some of the detail in a moment. The present trends in the whole-milk industry, and the wide support for the establishment of a single authority, have developed over a period of some years. At present, as members are aware, the diversification of control in the industry has only to be seen in order to visualise and appreciate its rather cumbersome field.

The Department of Agriculture is involved in the dairying industry inasmuch as the inspection of all butterfat farms is the prerogative of that department. The inspection of treatment plants—that is, butter factories and the like—again comes within the ambit of the Department of Agriculture. Advisory services to all dairy farmers, whether they are manufacturing or producing whole milk, are also the responsibility of the Department of Agriculture.

In addition, the Milk Board has its specified duties. I referred to the general terms of its duties and suggested they had rather an atrophying effect on the operation of the Milk Board. The Milk Board is responsible for the licensing and supervising of producers of liquid milk, the licensing and supervision of treatment plants, and the licensing and supervision of vendors. It also controls the conditions of transportation. Under the Health Act, the Public Health Department is responsible for many aspects relating to both sides of the industry in so far as they affect public health. Officers of the Department of Agriculture are also vested with powers under the Health Act to ensure that its provisions are observed.

The Dairy Products Marketing Board also comes into the picture as a fourth entity of control over the industry inasmuch as it is concerned with the organisation and marketing of dairy products, and it has the administrative powers to fulfil this function. The board also has liaison with the Australian Dairy Board and, of course, it grants licenses for the importation of butter and other dairy produce.

However, I feel that all this indicates there is a need for a single authority to replace the rather unwieldy structure we have at the moment. Legislation was recently introduced in New South Wales to set up a single dairying authority. The authority is relatively new and is only just coming into operation. It is difficult to assess how successful it will be or how it would apply in the Western Australian situation; but there is certainly no harm in having full regard to what has occurred in Victoria and making it the subject of study by a committee, the composition of which I have suggested.

Mr. Rushton: Wouldn't it be reasonable to allow the industry to put forward a recommendation?

Mr. H. D. EVANS: The industry has already done so.

Mr. Rushton: A joint recommendation?

Mr. H. D. EVANS: I will come to that in a moment when I examine what has transpired.

I come now to the whole-milk aspect which is not as frightening as it may seem on first indication. The portion of the State involved is virtually only a section of the lower south-west. At the moment the trend is to move from the outer metropolitan areas to the more southern localities. The area north of Pinjarra certainly has not the production it had some few years ago, because the value of land has changed making it uneconomical for dairy farming—even for whole-milk production. Capel is now a whole-milk area and Busselton will be shortly. Applications have been called already so that the producers in the Busselton area will be part of the industry by January, 1972.

The stated policy of the board is to move along the coastal strip roughly in the direction it is moving at present, and whilst this may be desirable from the narrower considerations of the Milk Board, it certainly does not have full regard for the dairying industry in general. The other regions—and I refer to the Donnybrook, Bridgetown, Manjimup, Pemberton, Northcliffe, Albany, Denmark, and Walpole areas, which show pockets of most desirable dairy farm land—are in a vastly different position, and by the time the whole-milk situation reaches many of those areas there will just not be any dairying activity remaining. The position is being rapidly accentuated at the moment by what might be termed a self-generating destructive situation.

Under the present policy the decline of dairy farmers in the areas I have mentioned is roughly 10 per cent. per annum. I would like those members in the House who are alarmed at the fact that some intrusion into the existing whole-milk set-up might occur to bear in mind a few of these figures. The decline is 10 per cent. per annum; and one company can show that during the past nine years of operation the number of its suppliers has dropped from 156 to 78. Those figures were provided by the company concerned. So members can see that the throughput will, and must, decline. Costs must rise and the pressure on the dairy farmers in that area to leave the industry must be even greater. That is the situation.

It is not only the marginal dairy farmers who are leaving the industry but also sound dairy farmers who are milking 80 cows and have the capacity to be first-class dairymen. The sprinkling of those farmers leaving the industry is considerable, and this is a situation we must guard against. The only chance for the industry to survive—and it is one that must be examined very closely—is to extend the whole-milk quota area on the one hand and, on the other hand, to reduce costs in the industry by rationalisation of existing manufacturing establishments. The prospect of allowing quotas into the areas I have mentioned should be examined now.

A number of meetings have been held throughout the Manjimup-Northcliffe-Denmark-Walpole area to emphasise the need for this to be done whilst there is still time to retain some semblance of a dairying industry in that area. Already the two processing plants in Manjimup are a liability to the company. They are an embarrassment, and if the decline continues so will this trend, and it will ultimately mean that we really will have a natural self-generating destruction of this industry.

The suggestion put up by farmers in this area is that, instead of allocating a group of 40 new licenses in one area, a group of licenses determined by a minimum economic standard could quite successfully be given to those areas in this State in which it is most desirable to retain the dairying industry. Oddly enough, the coastal area of Northcliffe-Walpole-Denmark is probably the best one for this purpose, and has shown itself to be over a period of time.

Mr. Runciman: Would you accept a lesser quota?

Mr. H. D. EVANS: There is also the aspect of offsetting. Do not forget that the firm which received the latest processing license has set up a plant at Capel, but the amount of milk supplied to the

metropolitan area by that plant will probably be nil. The procedure of offsetting takes place, and much of the milk which is bought at wholesale rates in the remoter areas is supplied from areas much closer to Perth. So the transport does not actually affect the situation. We cannot really criticise transport costs, because they just do not exist. The process of offsetting the surplus—which is about 20 per cent. of the total consumption—obviates this and, of course, it means that milk is available should it be required in the off-season, and it can be brought to Perth during those few exacting months.

Another method of entering the whole-milk field is through a graduated entry of quota. This method has been put forward seriously on several occasions. It has taken place in Ontario, and a similar method has been used in Victoria. However, in this State when a quota is given it is granted on a 10 per cent. per annum basis so that when a farmer is granted a 62 gallon quota—62 is the minimum—he receives only six gallons in the first year and a further 10 per cent. in each subsequent year.

This necessarily means a small increment in his annual earnings whilst he has the quota; but it also means that he has not a sufficient minimum quota to meet his full capital outlay. So I have reservations about that procedure. However, it is something that cannot be disregarded lightly, because the system has been found to work in other parts of the world and a similar provision has been seriously submitted by none other than the former director of dairying in the Department of Agriculture.

I do make my own personal reservations in regard to the scheme. It is interesting to note that in the report of the dairy section of the Farmers' Union the President makes detailed reference to several interesting points.

Firstly, I would mention that, in 1969, reference was made to the possibility of a single dairying authority being constituted. This suggestion was brought forward at the annual conference of the dairy section of the Farmers' Union. At the conference it was agreed to appoint a committee of four; two representatives from the dairy section, and two from the manufacturing section, with authority to examine details of a scheme whereby a single authority could be set up and an opportunity to enter whole-milk production could be given on a more general basis. It was suggested that the existing quota system could be dispensed with and an "A" and "B" licensing system introduced. An "A" license would be held by any person who complied with the conditions laid down by the dairying industry during a probationary period of 12 months.

A number of safeguards were outlined in relation to this scheme, and as a workable proposition it may even satisfy the member for Dale. It is certainly worth examination by a committee of inquiry at least, because there is a great deal of thought behind the proposal. Whilst separate reports have been made to the manufacturing section and the dairy section, authority has been granted for discussions to take place in the hope that uniformity will ultimately be achieved.

In the report submitted to the whole-milk section I notice that one branch of the section wished to have its vote recorded against the achievement of this objective. That is the situation in which the two sections of the dairying industry are placed, which indicates the strong support by the manufacturing section for such an approach to be made and the hope that it holds of this being the salvation of those engaged in the industry.

Another field of inquiry I regard as being absolutely necessary is a reduction of costs within the industry. The areas that would be involved in this field of inquiry are fairly extensive. The number of anomalies that exist illustrate how unwieldy, how disunited, and how wasteful the present system is.

First and foremost, the siting of various factory plants within the country areas and in the metropolitan area must be considered very closely. In drawing attention to this factor I am levelling criticism against the recent decision made by the Minister to approve of the establishment of a further factory plant at Capel. This is to be constructed within 11 miles of an existing plant which is operating on about one-tenth of its daily throughput. The decision will virtually mean that clients will voluntarily go from one factory to another and, in view of the capitalisation needed to establish such a plant, this move must disrupt the economics of the industry.

I did ask whether a cost benefit analysis had been made, or whether such a decision would mean that the dairying industry would have to bear additional costs, but the Minister did not make any reference to that point. He did, however, supply me with a copy of a Press statement he made, and yesterday he tabled in the House a copy of his decision and of all the relevant material in relation to it. But after making some limited research into all the circumstances leading up to this decision, I cannot see that any regard has been paid to the economics of the dairying industry and the adverse effects that may result.

The reaction of the Busselton zone of the Farmers' Union to this move was to express its desire for the appointment of a Royal Commission on these grounds alone, indicating that the Busselton zone considered that the over-capitalisation

and the expense involved by the indiscriminate siting of factory plants have a definite bearing on costs and conditions in the dairying industry. The overlapping and the duplication of the existing zones in the metropolitan area are also factors that could be examined with a view to streamlining the system to effect greater economy. Whilst I do not intend to dwell on that aspect in detail, it is an item to which I referred as being a further subject of inquiry by a Select Committee.

The matter of transport duplication within the industry is certainly one that is not tolerated in Victoria. We find the spectacle of a number of vehicles travelling over the same road, and for a greater part of the season with only portion of their carrying capacity being used. We have the spectacle of three trucks going along one road and bypassing the spurs. I see that the Milk Board's cartage allowance is about 1.8c per gallon.

At this figure—and I suggest it will be much greater than it should be where there is what one might call a triple duplication of a transport service—someone must pay the cost somewhere along the line. Industry cannot offload its increased costs to the consumer for obvious reasons. There would be no quicker way to lend strength to the argument for substitutes and synthetics than by increasing the costs of the existing product. The only alternative is to pass these costs on to the producer. These costs are loaded against him and he must absorb them. In such a situation, of course, there is a limit to the degree of efficiency that can be achieved.

There is a further surprising cost within the metropolitan area; one to which reference has been made on a number of occasions in the Press recently. It is alluded to in the annual report of the Milk Board and it deals with the cost of bottles. The cost might not sound very great, but we must appreciate that the trippage in connection with bottles in most places is about 50 to 60 trips. The Milk Board gives the figure as an average of about 25 trips. The position did improve under the system of bottles being returned, and when no bottles were returned, cartons were forced on the customer.

With the competition that exists at the moment, and with the non-fulfilment of this requirement, the trippage on bottles is down to about half what it should be and the cost of bottles to the industry is set at about $300,000 a year, giving a loss of $140,000 a year. So here we have one item alone which, through lack of industry organisation, is quite considerable in itself. It is one aspect of costs placed on the producer.

Page 11 of the last report of the Milk Board deals with bottle recovery to some degree. In the 1967-68 period 21.5 trips was the average. We find that industrial competition is not achieving what it was originally intended to achieve. In the matter of transport and of service within the distribution section, competition has become so fierce that it is now an impost on the producer. It is probably also an impost on the companies as they exist at the moment.

The person who has no redress, however, is the producer. Within the industry itself we find such unnecessary competition as producer dinners, which are clearly quite expensive and can run into several thousand dollars. These may make for goodwill, but somebody must pay for them. I did express some appreciation of the hospitality shown by a particular company but the dairyman alongside me pointed out that he was paying for it. He was not quite as impressed as I was.

We also find industrial competition resulting in over-capitalisation. It is shown in other ways, not the least of which is making finance available at reduced charges. Company finance is generally required for service somewhere along the line, but someone must pay for it and it ultimately comes back to the producer. Public relations activities, and activities of other companies in competition, are another burden which must be faced by the producer.

At this stage I draw attention to the fact that Mr. Anthony has seen fit to act within the overall framework of Australian butter production, and, in conjunction with Victorian farmer organisations, he has arrived at a quota solution.

Western Australia has been given a suggested quota, which is somewhere in the vicinity of 6,500 tons of butter. It looks as though we will reach 6,100 tons this year, which means we will not make the target figure. This could be extended over the next year, but I would say that after next year the Commonwealth will have started having a fairly close look at Western Australia's target quota, which it could greatly reduce.

While there is a stable quota for butter and an extended and expanding whole-milk market, these two factors can bring about a considerable degree of stabilisation within the industry. They can bring it about provided there is a close examination of the industry and a rationalisation of the existing services. We must do away with the highly expensive competition that is occasioned in production, in marketing, in processing, and in distribution.

All these aspects must be examined with a view to seeing what can be done. Some pressure of a legislative nature may also be necessary in order that we might achieve a single, harmonious, reunified industry. It would be possible in a matter of 20 years or so to bring this about in an integrated and orderly fashion.

Sitting suspended from 6.15 to 7.30 p.m.

Mr. H. D. EVANS: Before making my concluding remarks I draw the attention of members to one other aspect of the dairying industry; and this deals with the proposed Marginal Dairy Farms Reconstruction Scheme, which was recently adopted in an agreement arrived at between the Commonwealth and the Government of Western Australia.

This scheme has two forerunners, as far as schemes are concerned, for rendering assistance to the dairying industry. The first of these was the Dairy Farm Improvement Scheme, adopted in 1956. On the basis of a survey conducted by the Bureau of Agricultural Economics it was established that the minimum pasture for a self-sufficient butterfat farm in the south-west of the State was 160 acres. This figure was accepted by the State Government, and became the basis of this scheme.

Subsequent to that the Dairy Farm Consolidation Scheme was implemented. It was implemented 11 years later. This again was based on a survey conducted by the Bureau of Agricultural Economics, and it was established that 200 acres of pasture was nearer the mark for a viable dairy farm. So, finance was made available to implement this scheme.

Then in 1969 it was established that 220 acres of pasture was necessary for a viable dairy farm, but this was based on the fact that production must be increased in order to give an adequate return to the producer. The Marginal Dairy Farms Reconstruction Scheme adopts a rather different concept. From the October, 1966, journal of the Australian Dairying Industry Council, we find that the proposal which has been accepted by the Commonwealth Government and the State of Western Australia, and latterly by the other States, came into being. The Commonwealth has given an undertaking that in the course of the next four years it will make available to the States the sum of $25,000,000; and the States are expected to administer the scheme and to bear the costs of administration. The States are to repay half of the amount of $25,000,000 at a fixed rate of interest of 6 per cent.

The grant—that is, half of the amount advanced by the Commonwealth—which will not have to be repaid by the States, is to be used for writing off redundant buildings, administrative costs, and the like. The Commonwealth has assured the payment of the overall costs incurred by the State, and of other expenses brought about by unforeseen circumstances.

A definition has been laid down for liability, and the terms are fairly clear-cut and stringent. A farm which is involved in the scheme must have taken the form of a rural holding for two years. The farm must have 20 lactating cows, and this is the basis revealed in the Bureau of Agricultural Economics survey. At least half of the gross income must be derived from the production of manufacturing cream or milk. Variations, left to the discretion of the State, are possible; therefore variations can be made by the State. For example, special permission can be obtained in respect of a farmer who cannot meet the minimum provision of 15,000 lb. of butterfat per annum but who can exceed a minimum of 12,000 lb.

The mode of implementation is the interesting part, and the object is to allow dairy farmers, who have insufficient income, to leave the industry with some equity so that they are not compelled to exist in grinding poverty, or to depart on the basis of having absolutely no equity. At the same time, this scheme will be the means of making available land and improvements thereon for the use of other dairy farmers, to enable them to diversify wherever possible. So, amalgamation and diversification seem to be the two keynotes of the scheme.

In regard to disposal of the land and improvements, a Government authority will decide for what purpose any acquired farm is to be used. This authority can make it available for dairying, or for any other purpose it sees fit. The Minister for Primary Industry (Mr. Anthony) has stated publicly, and indeed the scheme implies, that if a reduction in the number of dairy farms can be brought about a satisfactory result will be attained. Mr. Anthony stated straightout that he hoped this would be achieved; and if it was he would be glad.

While assistance can be rendered to individuals who require it there is also another aspect. This is, again, a decrease in production. Once the overall production decreases we will return to the existing situation where declining throughput increases costs. This, in turn, generates further diminution of dairy farms. This will simply contribute to the existing situation by bringing about the natural process of increased costs, and must be guarded against.

From inquiries I have made I understand it will be possible for additional finance to be made available to farmers who remain on their properties, to enable them to proceed with developmental work. This will probably be necessary, because most of them will have used up all their credit availability to purchase the land. So, some special form of finance for development will be required by the farmers. If this is made available, and if the existing production is, at least, maintained, it will mean that the industry can be expected to stabilise at this point, and level out.

Although as yet there has not been any announcement but only an indication, I hope that what I have said will be

the position. The situation requires close examination to ensure that further imbalance of the industry does not occur.

In conclusion I would like to make several points. The first and the obvious one is that the manufacturing section of the industry is being eliminated under the present state of affairs. I suggest the decline is about 10 per cent. per annum, and this has been authenticated. The economics of the dairying industry at this stage can be assisted very materially by the advent of whole-milk production, by the extension of the use of whole milk throughout the manufacturing sections, and by a reorganisation of the industry in relation to the siting and establishment of plants, transport, and existing services.

In assisting farmers to leave the industry care should be taken to ensure that production levels are maintained, particularly in view of the fact that a quota system now exists, whereas previously it did not. The quota is 6,500 tons of butter and 2,000 tons of cheese. The attainment of only 6,100 tons of butter this year suggests that production levels can at least be maintained.

I do point out that care should be taken to ensure that whole-milk producers of the moment are safeguarded and not disadvantaged by rising costs overtaking them. When an increase in the production of whole milk is necessary a certain proportion of this must go to whole-milk farmers so they are not in any way jeopardised. I think this point should be stressed very strongly. It must be realised that if the State requires a dairying industry, in the manufacturing sense, to be retained, some action must be taken now, bearing in mind that the increase of population on the one hand, and the static production of milk on the other, will increase the imbalance of trade between this State and the Eastern States. This is something we must expect if we do not try to reconstitute the dairying industry.

If we are prepared now to allow the *status quo* to remain, it will not, in effect, continue. There will be some regression. It is not a matter of allowing the position to remain at the existing level, because the sheer economic aspect will not permit this. Either a change must be made, or there will be some slipping back. For these reasons I commend my motion to the House, and anticipate support of country members.

Debate adjourned, on motion by Mr. Nalder (Minister for Agriculture).

AGRICULTURAL PRODUCTS ACT

Disallowance of Regulations: Motion

MR. COOK (Albany) [7.43 p.m.]: I move—

> That regulations to the Agricultural Products Act, 1929-1968 as printed in the *Government Gazette* No. 82 of the 31st August, 1970, and as tabled in the House on 8th September, 1970, be and are hereby disallowed.

The regulations to which the motion refers read as follows:—

> 2. Regulation 20 of the principal regulations is amended—
>
> (a) by adding after the passage "(a) Grade 1;" appearing in subregulation (1) the passage "(aa) Grade 1 large;";
>
> (b) by substituting for the definition "Grade 1" in subregulation (2) a definition as follows:—
>
> "Grade 1" shall mean sound potatoes of similar varietal characteristics, suitable for export, weighing not less than 3 ounces nor more than 16 ounces each, mature and reasonably free from dirt or other foreign matter, second growth, digging injury, damage caused by disease, sunburn, insects or greening from exposure. ; and
>
> (c) by adding after the definition "Grade 1" in subregulation (2) a definition as follows:—
>
> "Grade 1 large" shall mean potatoes suitable for export and which shall comply with the standard of Grade 1 in all respects other than weight; they shall weigh not less than 12 ounces each.

The reason for the motion to disallow these regulations emanates from two points, the first being the amount of grower confusion concerning them, and the second being the amount of grower opposition to them.

The Federal Potato Advisory Committee to the Australian Agricultural Council recommended these regulations, and about February this year the Potato Marketing Board put to the Western Australian Potato Growers Association a proposition requesting its support. As a result of this a circular was sent to all the zones and at the following executive meeting a motion in favour of the regulations was carried by eight to one. The one person abstaining was a delegate from the Albany-Denmark zone of the association and he said that because the circular had arrived too late for his zone to consider the matter, he had received no direction from the zone as to how he should vote.

Following the acceptance of the motion, the Albany-Denmark zone examined the regulations and became somewhat uneasy about them. As a result it moved at the next executive meeting that the executive should rescind the former motion. However, this motion was lost with the voting being, I believe, seven to two.

Following the loss of the motion, the Albany-Denmark zone delegate then moved that the Potato Growers Association hold a referendum of all growers in regard to the regulations, but this motion was ruled out of order because the constitution of the association does not allow for referendums to be held on issues such as this, but only concerning changes to be made to the constitution itself.

Following this meeting the Albany-Denmark zone further considered and examined the regulations and became uneasy about a number of reports which began to filter back to it concerning confusion in other zones about the regulations. Consequently it was resolved that a petition should be presented to the Minister. This was circulated throughout the zones in Western Australia. As a result 380 potato growers signed the petition objecting to the introduction of the new regulations regarding the maximum size of grade 1 potatoes to 16 ounces.

This petition was left with the Minister and, in due course, a letter was received from him stating that he had examined the evidence, but still intended to introduce the regulations.

The Albany-Denmark zone then secured the signatures of three executive members, which is the number required under the constitution of the association before a special meeting can be held. The meeting was held to discuss whether or not a referendum should be held on the issue, especially in view of the fact that 380 growers had signed the petition, and, as far as could be determined, this number was well over half the total number of growers in Western Australia.

When the meeting was held and the delegates were seated, they were confronted with a copy of the *Government Gazette* in which the regulations had already been published. Of course, that, to a degree, took away the need for a special meeting and, indeed, when the Albany-Denmark zone delegate submitted a motion calling for a referendum, the motion was ruled out of order by the chairman.

Following this, the potato growers held a meeting in Albany last Friday week, and it was well attended. The president-secretary of the association and I were present, and at the close of the meeting it was resolved that I should be asked to try to secure the deferment of the regulations pending the holding of a referendum. However, because the regulations had already become law, all I could do was move for their disallowance. I would suggest to the Minister that this is one means by which he could perhaps secure a solution to the problem of grower confusion.

The growers say that they are quite happy for the regulations to apply to export potatoes. They are not so concerned at having to grade potatoes for export. Approximately 28 per cent. of the Western Australian potato crop in 1969 was exported. However, the growers cannot see why they should be faced with the costs involved in regrading their crop for local consumption.

For the local market, merchants have installed expensive equipment for this very purpose. It is interesting that during the course of the developments it was thought that the regulations applied only to export potatoes. The growers were also under the impression that there was no sale for their large potatoes and, indeed, a pink supplement issued in conjunction with the potato growers' magazine gave details of a survey of 68 fish and chip shops carried out in the metropolitan area and this added to the confusion.

The survey indicated that only a small percentage of the shops wanted potatoes over 16 oz. in weight. However, in view of the confusion over the regulations, and while obtaining signatures for the petition, representatives of the growers also visited merchants and sought their views on the matter. I would like to quote some of the letters received, and I ask members to bear in mind that the growers were under the impression that it was the merchants and the owners of the fish and chip shops who did not want the large potatoes.

The first letter I will quote is addressed to Mr. Manoni, the Chairman of the Albany-Denmark Zone Council of the Potato Growers Association and, in part, it reads as follows:—

> We have quite a few of the Hotels, Boarding Houses, Restaurants and Cafes amongst our clients, who are always complaining that the normal No. 1 Grade Potato is entirely unsatisfactory for their needs, and they quite often return them to us for this reason.

Another letter from Blue Moon (W.A.) Pty. Ltd., in part, reads as follows:—

> We have no objection to the larger potato, in fact, in our own particular case we would be much happier if there were many more included as we can never keep up with the demand put on us by fish shops, caterers, restaurants and institutions.

Another letter is from S. T. Etherington Traders Pty. Ltd., two paragraphs of which read as follows:—

> Over the years we have built up a considerable trade with such outlets as Fish and Chips shops, Hotels, Restaurants, Hospitals, etc. who require the large jumbo size potatoes. This trade would represent approximately 30% of our weekly turnover.
>
> We are experiencing great difficulty in acquiring sufficient quantities of the larger size potatoes to meet this

> demand and this situation will be greatly aggravated should this amendment be adopted.

Another letter is from Wholesale Pre-Pack Co. Pty. Ltd., potato and onion merchants, and it commences as follows:—

> With reference to your enquiry regarding our need of the larger size Potatoes (16 oz. and over) we advise we have a very big and constant demand for this size of Potato.

And the letters go on. So one wonders just how salient is the survey of the fish and chip shops, carried out by the Potato Marketing Board, in regard to the argument that the shops did not, in fact, require the large potatoes.

When the pink supplement was issued in July the regulations were in draft form only, but they were fairly close to the mark. I believe this was the first time a comprehensive review of the regulations was submitted to the growers. However, the supplement criticised the action of the minority group of growers who presented the petition. Whoever was responsible for the printing of the document failed to realise that the action was taken by the Albany-Denmark zone which represented approximately 20 per cent. of the growers, so a large minority authorised the circulation of the petition.

After he received the petition, the Minister replied to the chairman of the zone council, and his letter contains a couple of points which I would like to mention. His letter was dated the 5th August, 1970, and the Minister stated that the regulations had been approved by the W.A. Potato Marketing Board, and had also received the approval and reaffirmation of approval of the Potato Growers Association of Western Australia.

Certainly the regulations received approval in March of this year. However, I have been through all the documents I could lay my hands on and I could not find where the approval had been reaffirmed. The executive did knock out a motion to rescind the previous decision, but nowhere could I find where approval of the regulations was actually reaffirmed.

Mr. Nalder: The approval was reaffirmed in a letter addressed to me, after I passed back a letter on this matter. It was reaffirmed by a letter from the board.

Mr. COOK: I can assure the Minister that I have been through all the official documents and I could find no reference to any reaffirmation.

I have already mentioned the survey of the fish and chip shops. It must be remembered that the board carried out the survey, and the board was in favour of the regulations. In view of what has emerged from the letters received, one wonders how much weight one can put on the argument that the fish and chip shops are in favour of smaller potatoes.

The introduction of the new grades will mean added costs to the growers because the whole crop will have to be graded. One method growers could use would be to grade the potatoes when they are being dug. However, they are already graded in the field where the rubbish and damaged potatoes are removed from the crop, and the growers believe it will be impracticable to add another grade during the picking up operations in the field because of the cost involved.

A second method would be to cart the potatoes to sheds and pick them over by hand. However, that would be a time-consuming process. A third method would be for a number of growers to combine together and purchase grading machines. The machines would be a lot faster, but considerable expense would be involved. Grading machines have been installed by merchants, and I am aware of at least one merchant who charges fish and chip shops and hospitals extra for grading out large potatoes. These are the logical people to regrade potatoes for local consumption.

The growers also feel that the introduction of these regulations will disorganise their digging schedules. It is known that a grower will often get a quota of eight, 10, or 15 tons while digging operations are proceeding, and if he has to stop digging to regrade the potatoes then, obviously, his schedule will be upset. Most potato-growing areas are subject to swamping in the event of heavy rain, and a crop could be ruined while a grower was regrading.

The final comment in the pink supplement, dealing with the survey, was that the shopkeepers commented that all the potatoes shown were good, but they pointed out that in the case of the over 16 oz. size extra handling was required to cut them in half. The shopkeepers also commented that they could be interested in an adjustment in price to compensate.

The growers are concerned that once the regulations are put into effect pressure could be applied from various groups to have the price adjusted for grade 1 large potatoes. It is proposed, at the moment, that grade 1 large potatoes shall be 16 oz. and over. The growers are concerned that the size could soon be cut down to 12 oz. and over for grade 1 large potatoes. In fact, I believe there is already a move in New South Wales to bring the size down to 12 oz. I would like to point out that in the Eastern States there is no orderly marketing system for potatoes.

A further problem is that the Eastern States growers suffer from difficulties with hollow heart, especially in larger potatoes.

Let us make no mistake about this. Growers in my area are in favour of the Potato Marketing Board and they do not believe that the orderly marketing system which exists in this State should be downgraded or challenged in any way by the disorderly situation which exists in the Eastern States.

Growers in Albany have tried by constitutional means to oppose the regulations; but, as a result of constitutional difficulties in their own organisations, they have now appealed to me to bring the matter forward in the House. As I pointed out earlier, due to the amount of confusion in the industry as well as the added costs which will be loaded onto growers which, in turn, must be passed on to consumers in general, the regulations would be detrimental to the industry and should be disallowed.

In addition to the confusion, a petition, which I have already mentioned, has been signed by some 380 growers, which we believe to be well over half the number of potato growers in the State. The petition indicates that growers believe there is a real need to disallow the regulations and to reconsider whether they are in the best interests of the industry or not. I commend the motion to the House.

Debate adjourned, on motion by Mr. Nalder (Minister for Agriculture).

BILLS (6): RETURNED

1. Prevention of Cruelty to Animals Act Amendment Bill.

   Bill returned from the Council with amendments.

2. Honey Pool Act Amendment Bill.

3. Metropolitan Water Supply, Sewerage, and Drainage Act Amendment Bill (No. 2).

4. Local Government Act Amendment Bill (No. 2).

5. Aerial Spraying Control Act Amendment Bill.

6. Lotteries (Control) Act Amendment Bill.

   Bills returned from the Council without amendment.

PETROLEUM (SUBMERGED LANDS) ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Council; and, on motion by Mr. Bovell (Minister for Lands), read a first time.

BERNARD KENNETH GOULDHAM

Tabling of Papers: Statement by Speaker

THE SPEAKER (Mr. Guthrie) [8.05 p.m.]: With regard to notice of motion No. 6, I am informed by the member for Mt. Hawthorn that he does not desire to proceed and, therefore, the motion lapses.

I do not wish to make any comment on this particular motion but, for the guidance of the House, I do wish to make some comment on a decision which was given by one of my predecessors as long ago as the 2nd October, 1912. At that time—and so far as we can ascertain this is the only occasion—a similar matter was raised in the House when the then Leader of the Opposition (The Hon. Frank Wilson) endeavoured to get a motion through the House for the tabling of a declaration. I might add that it was opposed very strenuously by the Premier of the day (The Hon. J. Scaddan) and by somewhat of a mixed grill in the House. On that occasion the point was raised whether it was competent to move that such a paper could be tabled.

The Speaker was The Hon. Michael Francis Troy, a gentleman for whom I had the very highest regard and one who had a very long and distinguished career in the service of this State. I think I should make the observation that this occurred very many years ago, in his first year as the Speaker. With due respect I do think he went a little too far in the ruling which he gave and which is to be found on page 2186 of the *Parliamentary Debates* of Western Australia, volume 43. He said—

> The hon. member has raised the point that the motion is not in order because it has been moved by a private member and that to his mind the affidavit is not a public paper. I have to rule that the motion is in order because there is nothing to prohibit any member moving a motion, especially when he gives notice of it, as has been done in this case. The House has power to say whether the motion shall be accepted or rejected. It is, therefore, within the province of this House to order any paper to be laid on the Table if the House so directs.

With the utmost respect to him, I feel that the ruling is not quite right because there have been many occasions in the history of this House when it has been ruled that motions can be ordered to be struck from the notice paper, and it is competent for the Chair to decide whether or not a motion is permissible.

One of the earliest cases occurred some six years before the ruling given by Mr. Speaker Troy, strangely enough. The Speaker concerned was The Hon. T. F. Quinlan. I do not intend to read the whole of what he said but his remarks are to be found on page 1773 in volume 29 of the *Parliamentary Debates* of Western Australia. He said that the Speaker has the right to remove from the notice paper any notice which is irregular. He then went on to quote an authority.

Members who were in the House some years ago will remember that my predecessor directed the removal from the notice paper of a notice moved by the present Leader of the Opposition, because he considered it was *sub judice*. There have been many instances like that.

To go a little further, I also feel that Mr. Speaker Troy did not give consideration to the problem which arises, and has arisen in other Parliaments, as to how a paper is tabled by a private member; and, when it is tabled, what status does it have; that is, does it have any privilege or protection.

For the benefit of members, I would add that it has been ruled in the Australian Senate that a private member cannot table a paper. Further, it has been so ruled in the New South Wales Parliament on more than one occasion.

Under Standing Orders a member who has quoted from a certain document can be ordered to table it, but I point out that the document would not be tabled in the ordinary sense. This is why we are troubled, because if it is not tabled in the ordinary sense, what status does it have?

As members are aware, our Standing Orders quite clearly lay down that a paper can be tabled only by a Government member. I think the correct interpretation of a Government member is a member of the Government, not a mere supporter of the Government. This rather suggests that the papers must be public documents.

In this instance, I understand from the member for Mt. Hawthorn that the Government does not have the papers and is therefore not in a position to produce them.

Consequently, because of those difficulties, I feel this is not the way to get these particular papers before the House; but I do not make a definite decision on that because it is not necessary. I do wish to indicate that I feel Mr. Speaker Troy went a little too far when he said it was competent to bring any motion on anything. I point out that if that were the case a member could move that another member's income tax return be tabled, or his private letters to his wife. Obviously that was not intended.

Mr. Graham: It would be worse still if they were letters to another man's wife.

The SPEAKER: As the honourable member interjected, it could be even worse. It obviously refers to public documents, and the Standing Order is meant to deal with public documents in the hands of the Government.

I merely make those comments for guidance and to place some correction on the record in case this question arises again. I doubt whether Mr. Speaker Troy's ruling was correct. I might add that in the case in 1912 the problem of how the papers were to be tabled did not arise because the motion was defeated.

CITY OF PERTH ENDOWMENT LANDS ACT AMENDMENT BILL

Second Reading

MR. GRAHAM (Balcatta—Deputy Leader of the Opposition) [8.13 p.m.]: I move—

That the Bill be now read a second time.

This is a simple Bill containing only one operative clause, but it embodies a very important principle. Before dealing with the measure and the matters to which it relates I feel it is necessary to point out that this is not an inspiration of recent days. I say that, because there have been meetings of ratepayers in the affected area and there have been certain developments with regard to the Perth City Council itself. Indeed, the records will show that this Bill was drafted and submitted to me in April of this year. I emphasise the point that there is a principle involved from my point of view, and the Bill is not designed to meet a circumstance which has arisen in comparatively recent days. Accordingly, I want the merits of the Bill to be determined from that standpoint.

The Bill merely seeks to amend the parent Act to enable the Perth City Council to use the net proceeds of the sale of land in the City of Perth endowment area in whatever direction it chooses. At the present moment the Perth City Council has no discretion, because Parliament has said that these surplus moneys should be spent in the City of Perth endowment lands area only.

I have searched the records concerning the legislation in 1920 but I have not been able to discover anything in the speeches to indicate why this particular provision was placed in the Statute. After all, when the Perth City Council or any other local authority disposes of property, assets, or land, the proceeds are not used exclusively in the ward or the area where the sale happens to take place. All of the revenue which becomes available to the Perth City Council, whether in the form of loan moneys, rates, or other earnings, is employed at the discretion of the council, on the advice of its officers, and there is no reason why the same procedure should not apply in the case of this area.

I have already mentioned that the Act which this Bill seeks to amend was passed in 1920. It relates to an area which originally comprised some 3,500 acres, plus 136 acres of reserve which is the City Beach foreshore area. Part of this land, the subject of subdivision and sale, was originally endowment land, but it was added to when in 1917 the Perth City Council bought an additional area, and it has comprised the sum total of land with which I feel most of us are now familiar. It will therefore be appreciated

that the land was acquired by the Perth City Council, with funds of the Perth City Council, in the interests of the ratepayers of the Perth City Council area, and for the future development of the council's territory.

It is beyond my comprehension that anybody could suggest that a local authority did those various things for the sole and perpetual benefit of the comparative handful of people who might acquire residences in the subject area. They have indeed been fortunate people because from 1920 to the present time is half a century, and all of the proceeds, after meeting expenses and developmental costs, have met repayments on loan moneys and have been available for the general development of the area, the provision of amenities, and so on. In other words, the net proceeds of sales over the years have been ploughed back into the area. I wonder if there is another area in the whole of the State where people are so fortunate. As a consequence of this process, the area the subject of the Bill has become a prestige area, an exclusive area, a privileged area.

I repeat: This is on account of the sale of public estate and it is the only part of the City of Perth district which is so favoured. The returns from the sales which are held from time to time have reached colossal proportions, something which I suggest was not envisaged when the legislation was passed 50 years ago. A sale held only one month ago realised $639,250; I have no idea what is the total of all sales since the City of Perth began selling land in the City Beach area, but I do know that the proceeds of sales from the 1st May, 1965, to the 22nd August, 1970, alone, aggregate $4,230,000. To say the least, that is a tidy contribution to the finances of any area in a short five-year period.

Mr. Bovell: That would not all be net profit, of course.

Mr. GRAHAM: Of course it would not, but it would be of advantage to that area —an advantage not enjoyed by any other portion of the area of the City of Perth. It means that in many cases the roads, footpaths, and development of parks are provided out of this bounty which comes the way of people in this favoured area. Elsewhere loans are required in order to do those things, and where loan moneys are used in this favoured area some of the returns from the sales can be used to meet the commitments arising from those loans.

Where additional amenities and facilities are required, instead of being provided from the revenue of the City of Perth—from rates and other sources—or from loan funds, the landowners have this gift by the decision of Parliament in 1920 which enables them to have something more. They have been exceedingly fortunate in this respect. I say it is not fair; and it is wrong that the City Beach endowment area residents should be in such a favoured position measured against older localities where the need is at least equal and in many cases probably far greater.

One can think of some of the older residential areas such as North Perth and Victoria Park. No special bounty accrues to those areas by a decision of Parliament. They take pot luck in the allocation of funds in the ordinary way and, of course, the City Beach area is included in this; but, over and above all that, the City Beach area has the money arising from the decision of Parliament in 1920. At that time it was envisaged that the Perth City Council would indulge in many activities which have since become recognised as being those of Governments. For instance, a portion of the legislation and, indeed, part of the debate on the Bill, was in connection with the point that the Perth City Council would lay down and conduct tramway services to the area. Of course, that has not occurred and accordingly the circumstances are entirely different from what was envisaged when, by and large, the area we are discussing was bushland, and remote in every respect.

I think in those times the only line of communication to City Beach was the old plank road. There were no dwellings in the area and it was patronised by very few people indeed. I have recollections of a period some years later when the area contained camps and things of that nature for people who liked to live under canvas for a weekend of fishing, surfing, sun bathing, and all the rest of it. I repeat that the Government of the day was probably anxious that steps should be taken to open up this area, for which reason—and I am only guessing here—the legislation was framed to ensure that basic developmental works would be undertaken; and, of course, the establishment of residents later on would be a natural line of progression.

I want to make it perfectly clear that I am not seeking to lay down—neither am I asking Parliament to set out—what shall happen to these moneys. If my Bill becomes law, the net returns from the sales each year will be available to the Perth City Council and if, in its wisdom, after considering all the facts it feels the full amount should, for certain good reasons in its opinion, be spent in that area, then such will be the case. On the other hand, if the council feels that other parts of its vast territory require the provision of certain amenities and developments, no doubt allocations will be made to those areas.

Therefore, this Bill does not lay down anything specific but leaves a discretion in the Perth City Council. I repeat that I have confidence in the Perth City councillors, having regard to the advice which would be tendered to them by their responsible officers.

Mr. Craig: What is their opinion?

Mr. GRAHAM: I think there are circumstances of comparatively recent days that might give a vested interest in what this Bill seeks to do. I want to make it plain that I have not made an official approach to the Perth City Council. My decision to move in this matter was made, as I indicated earlier, at the beginning of this year when none of this had arisen. I have every good reason to believe that the Perth City Council would not be opposed to this proposition.

In that respect I would express my own viewpoint—and perhaps that of some associated with the council—that if my Bill becomes law the Perth City Council will not use the proceeds of land sales in the City Beach area for the purpose of subsidising rates, or their being a substitute for rates, but rather that the council will conduct its affairs on a businesslike basis and use the proceeds of the sales of land to provide additional facilities for the people of the City of Perth—facilities and amenities which it would otherwise be impossible to provide.

Whilst we have our differences from time to time, I think all members will agree that in the long term the Perth City Council has done a good job for our city and its environs. I know that any one of us could criticise the council on any one of a number of points, just as it is possible to criticise Government, Parliament, and the rest of it. Therefore, why should we not leave it to the Perth City councillors, who are experienced and competent, to manage the affairs of the city. If we continue to accept the principle that was laid down in 1920 we will become a Parliament of busybodies and, in respect of the Perth City Council, go further and make determinations concerning all its funds. Having done that, we would then turn our attention to the other local authorities, of which there are many, the total being in excess of 100 in the State of Western Australia.

I say I do not know, but I have some reason to believe that this move would not be unwelcomed by the Perth City Council. However, somewhat understandably, those people who are resident in, or who own property in, the favoured area would be a little concerned and no doubt would raise objections. Indeed, today I received a telegram from the President of the City Beach Progress and Ratepayers' Association. He has asked me to defer the introduction of the measure until we have had a discussion. I would have preferred to do that, but because of the circumstances I found it impossible. Private members' day does not come around very frequently. Parliament is not meeting next week, and if I deferred the introduction of this measure for too long, particularly as on several occasions the subject of the Bill has been postponed as an order of the day, I am afraid the Premier and indeed you, Mr. Speaker, could become a little impatient if its introduction were delayed any further.

However, I am quite prepared to discuss with the president of the association mentioned, and indeed others, the subject matter of the Bill, and if they are able to satisfy me on some point in regard to it I would be prepared to give consideration to amending my Bill accordingly. Nevertheless, I say here and now that it would be impossible for anybody to convince me that my Bill is wrong in principle, because, if it is, local authorities throughout the State have been doing something wrong practically every year of their existence—every time they dispose of some property, whether it be real estate or otherwise.

Because the City of Perth has a little corner of land in Victoria Park and it is sold to somebody, is anybody going to suggest that instead of the purchase money going into the general revenue of the City of Perth it should be spent, and that it is our duty to provide in legislation that the money should be spent in Victoria Park? That, of course, would be nonsensical.

Yet in this larger sphere of endowment land, where tremendous sums of money are involved, we allow the present state of affairs to continue. I repeat: the people in the subject area are indeed fortunate. Over a period of years, and particularly of recent date when considerably more blocks of land have returned extremely high prices—an average of about $10,000 a lot—they have enjoyed the benefit of the resultant work and activity, both directly and indirectly, because the more the area is developed generally the greater is the unearned increment to those already residing in that area.

Every time there is a move to develop parks, to provide halls, beach facilities, and other amenities, the existent residents are the direct beneficiaries as a result of this pecular circumstance which has been their good fortune. Nobody seeks retribution, because the fault is not theirs. Nobody is suggesting that they should be divested of this benefit; divested of any of the fruits that have been accumulating for half a century. But it is time we called a halt to this process and regarded the people in that locality as being nothing more nor less than ratepayers and be governed—if that be the term—by the Perth City Council. In other words, the allocations made for works, of whatever sort, shall be a matter that will

be listed and programmed by the councillors of the the City of Perth in accordance with the loan moneys, and the moneys from rates and other revenue received, whether it be from football grounds, the sale of land, or anything else.

I hope the message contained in the Bill speaks for itself and that there has been logic in what I have submitted. I can appreciate, perhaps, the concern and disappointment of the comparative handful of people who will no longer be at the receiving end of this largesse, but they have something to show for the good fortune they have enjoyed over the years and they are still residing in a prestige area; an area of which the Perth City Council is proud and of which it will continue to be proud and, in its sense of justice, fair play, and good sense generally, the Perth City Council will ensure that that area will receive a just proportion of the moneys available to it to enable the area to be developed in accordance with the concepts of the Perth City Council.

However, the people in that area will receive no special benefit, and all the residents and ratepayers of the Perth City Council will, from now on, enjoy some of the additional benefits that will come their way as a result of the works being undertaken which otherwise could not have been put in train.

I hope nobody can sense from this measure any party politics or any motives other than one to put the record straight. Accordingly, I do not anticipate hostility to the Bill. It is only natural to expect the parliamentary member for the district to speak on behalf of those who will feel some disappointment, but if the Bill is dealt with on its merits there will be no question whatsoever as to its passing.

The principle involved in this particular area has been one of concern to me for a great number of years, but unfortunately I have been sitting on the Opposition side of the House during that period and whilst I have taken advantage of many opportunities to introduce legislation—probably more than any other private member—there are many moves we expect a Government to take when in fact there is nothing to stop any private member from taking the initiative himself.

So at long last, and I might say as the consequence of approaches made to me by a Perth City councillor, I have introduced this legislation; but I want to make it clear that this was a personal approach to me and not one by the Perth City Council itself. After a long discussion last year, and again earlier this year, this councillor and I reached a common understanding and the result is this Bill, which I hope will be passed.

Debate adjourned, on motion by Mr. Lewis (Minister for Education).

CHIROPRACTORS ACT AMENDMENT BILL

Second Reading

Debate resumed from the 9th September.

MR. ROSS HUTCHINSON (Cottesloe—Minister for Works) [8.39 p.m.]: The Government is opposed to this Bill and one cannot but wonder that the honourable member who introduced the measure did so, metaphorically, with his tongue in his cheek. The Bill has two grounds. First it seeks to extend and liberalise the grandfather clause, and the method that is sought in clause 4 of the Bill to achieve this objective would destroy the value of the definition of "chiropractic" now contained in the Act.

I submit the definition of "chiropractic" in the parent legislation is all-important. It divides and distinguishes those people who practise and who have knowledge of chiropractic from those who aspire to use the title "chiropractor".

Accordingly, whatever consequences the legislation might have at the present time —and I believe it has its value—would be largely lost if the amendment contained in the Bill were placed in the parent Act.

I think it is necessary to recall that the Chiropractors Act does not prohibit an unregistered person from practising chiropractic. What it does is to ensure that unless the person is registered he cannot use the title "chiropractor". So one of the prime purposes of the legislation was to try to define "chiropractic". Admittedly, this is not an easy thing to do, but it was necessary to define "chiropractic" in order to try to establish a first principle.

If the amendment in the Bill is carried into the Act it would, as I have already said, tend to destroy the value of the parent legislation and it would also open up a royal road for anyone else who might wish to move a similar amendment to bring somebody else into the field.

Mr. Bertram: How many would come in?

Mr. ROSS HUTCHINSON: It does not matter how many would come in. If we accept this principle of amending the parent Act it would be possible for any member to introduce a clause similar to clause 4, which redefines "chiropractic". This would prostitute the value of the legislation.

The honourable member who introduced the amending Bill said that to his knowledge there would probably be only one person who would be affected. The Minister for Health has informed me that the board believes that at least three other people could come in under this particular redefinition; under this liberalised grandfather clause.

Mr. Graham: I do not like the word "liberalised."

Mr. ROSS HUTCHINSON: It is spelt with a small "l."

Mr. Graham: That is better.

Mr. Bertram: I never intended to liberalise it, I assure you.

Mr. ROSS HUTCHINSON: The honourable member should not develop a thing about words in the English language. It would be foolish for the honourable member to adopt such a line.

As I have said, the board believes there would be at least three other people who, by this redefinition in clause 4, could be entitled to registration; which means they are people who feel they can promote normal nerve transmission as mentioned in Clause 4.

I doubt whether anybody in this House can see real justification for this. I can understand someone trying to help somebody else to become registered by a board. I know that since I have been a Minister I have recommended to other Ministers that sympathetic consideration be given to this or that person who might have been rejected by a board for purposes of registration. I daresay each one of us has done this from time to time. But we should have nothing to do with anything which will prostitute the legislation and virtually make it valueless.

Although the second aim of the Bill strikes a happier note, the Government finds it necessary to reject this provision also. The second aim is to insert a right of appeal. I do not argue—and as I understand the position the board does not argue—with the principle, but in the present situation the board feels it is undesirable that this should be accepted unless the Act is extended to prohibit the practice of chiropractic by unregistered persons.

The Act does not prohibit the practice of chiropractic by unregistered persons; it just does not do this. It does, however, prevent them from being called chiropractors. I do not know whether this is within the knowledge of the honourable member, but the South Australian legislation virtually does this. In a very short piece of legislation it merely defines "chiropractic" and says anyone who fills the bill under that definition can call himself a chiropractor. That is all in the legislation.

Accordingly, there is no real reason for an appeal court to be set up in this regard and the Government cannot in any way support the measure before the House.

MR. LAPHAM (Karrinyup) [8.46 p.m.]: I was rather disappointed at the Minister's attitude in regard to this matter. I feel this is a simple Bill with simple provisions. As the Minister says, all it seeks to do is to amend the Act in two particulars—it seeks to provide a right of appeal in one case and in the other it seeks to extend the grandfather clause.

At the moment there exists a person who has been practising as a chiropractor for the last 20 years. He is known to the public as a chiropractor and he has, over the years, been acting as a chiropractor; he has had patients sent to him by the medical profession and when treating these people he acts as a chiropractor. What more do we want?

This person holds himself out as being a chiropractor; the public accepts him as a chiropractor; the medical profession sends patients to him because he is a chiropractor, and yet we want to imply that he is something less than a chiropractor.

If we are so concerned with the definition of "chiropractor" surely there must be something wrong with that definition; and if there is, this is the place to rectify it.

Mr. Ross Hutchinson: You want to toss the Act out.

Mr. LAPHAM: There is no necessity to toss the Act out. All we want to do is to insert a right of appeal. There seems to be some doubt as to the definition of "chiropractor". We say that a person has been practising as a chiropractor for 20-odd years; the medical profession has accepted him as such and has sent patients to him over the last 20 years; and the public has accepted him as a chiropractor. Is not that sufficient proof that he is a chiropractor?

Mr. Ross Hutchinson: That means you could do likewise.

Mr. LAPHAM: I certainly could not. The person in question must have some skill for him to have been able to carry on over the last 20 years and for him to have gained the confidence of the medical profession during that time. I am amazed that the Minister should adopt the attitude he has.

Mr. Ross Hutchinson: Why have legislation at all if you are going to open the door to everyone?

Mr. LAPHAM: We are not opening the door; we merely wish to provide for something which has been going on over the last 20 years.

Mr. Fletcher: He could go on doing this over the next 20 years.

Mr. LAPHAM: That is true; and the medical profession will send him more patients.

We must face the fact that there is a tendency in all legislation to create appeal boards. We know we set up boards and give them some degree of power. At the same time we feel it is possible the board

itself might make a mistake and accordingly we tend to give the individual who might feel he has been wronged, a right of appeal.

Mr. Tonkin: The Government does not like appeal boards or appeal tribunals.

Mr. LAPHAM: The facts seem to indicate that this is so. Nevertheless, let us see whether we can induce the Minister to do the right thing on this occasion.

The particular person in question applied to be registered as a chiropractor, but the Chiropractors Registration Board refused to register him despite the fact that he has been carrying on this work for many years and members of the public have been referred to him by the medical profession. However, the board decided that under the definition of "chiropractic" he was not entitled to be registered, and as a consequence it refused to place his name on the register.

I do not say the board was wrong in refusing him registration, and I do not say the board acted beyond its powers. All I say is that some degree of confusion exists as to what is a chiropractor. Surely in the interests of justice we should set up an appeal board, so that this person could lodge an appeal for the purpose of having the matter cleared up.

It is not necessary for the House to waste a great deal of time on this question. The main thing that is sought is the inclusion of an appeal provision. The Minister has said that he was not prepared to argue at length on such inclusion, but he then went on to raise another issue. He felt that an extension of the definition of "chiropractic" could come about if an appeal board were established.

Mr. Ross Hutchinson: That was not the reason at all.

Mr. LAPHAM: Let us see what the Minister did say. He said he did not argue with the principle of allowing appeals, or that he was not so concerned with the principle of appeals.

Mr. Ross Hutchinson: In this particular case.

Mr. LAPHAM: In this particular case the Minister was not so concerned. What is wrong with establishing an appeal board so that this case, as well as others, can be heard? If this case or other cases are worrying the Minister he should agree to the establishment of an appeal board so that it could examine the matters and make decisions accordingly. It would be most unfair for the Minister to make the decisions; he should establish an appeal board to permit people to lodge appeals. Each case would then be dealt with on its merits.

Mr. Ross Hutchinson: There is nothing to prevent this man from continuing to practise as he is.

Mr. LAPHAM: He maintains he is carrying on the work of a chiropractor and he wants to be recognised as such.

Mr. Ross Hutchinson: But he cannot be recognised as such under the definition.

Mr. LAPHAM: Under the definition he is not, perhaps, but he is recognised by the medical profession and by the public at large. There could be something wrong with the definition in the Act, and perhaps we have not set out the definition correctly. The public accepts the position, and members of the medical profession send various people to this person to be treated. They think he is using methods to promote normal nerve transmission; in other words, practising as a chiropractor, so why should the Minister not set up an appeal board, so that this person can argue his case before it? I do not want to hear the argument, and I suggest the Minister does not want to either, but we should establish an appeal board to hear the case.

Then perhaps it would not be necessary for us to extend the grandfather provision in the legislation. This person has been refused registration as a chiropractor, and it would be a simple matter for him to lodge an appeal with the appeal board. So, if there is an appeal board, there will be no need for an extension of the grandfather provision.

As far as I am concerned the Minister can refuse to extend the grandfather provision, but I seek to prevail upon him to give the person in question the right of appeal. This is the normal course of justice that should be extended to people.

Mr. Ross Hutchinson: The member for Mt. Hawthorn would not agree with you; he knows that the person in question has no chance of obtaining registration without liberalising the grandfather clause.

Mr. LAPHAM: I do not think that I should be concerned with his chances, nor should the Minister be concerned. All we should be concerned with is to give him the opportunity to state his case before a competent authority, so that he can either be registered or refused registration. The Minister should agree to this, and I feel the member for Mt. Hawthorn who introduced the Bill would also agree to it.

MR. W. A. MANNING (Narrogin) [8.55 p.m.]: The member for Karrinyup says this is a very simple matter.

Mr. Lapham: Yes, it is.

Mr. W. A. MANNING: I agree it is a simple matter to make a decision in the opposite way to that suggested by him. It is quite evident that this Bill has been introduced to cover the case of the person in question, and there is no doubt that he is not a chiropractor.

Mr. Lapham: The medical profession does not think so.

Mr. W. A. MANNING: I am not concerned with what the medical profession thinks; this person is not a chiropractor. In the Act the definition of "chiropractic" is—

> a system of palpating and adjusting the articulations of the human spinal column by hand only, for the purpose of determining and correcting, without the use of drugs or operative surgery, interference with normal nerve transmission and expression.

The definition is clear, and it is a proper definition of "chiropractic."

In the amendment which appears in clause 4 of the Bill it is proposed—

> A person who satisfies the Board that for the period of five years immediately preceding the commencement of this Act he held himself out as a chiropractor and treated members of the public in good faith using methods designed to promote normal nerve transmission and expression is entitled to be registered under this Act as a chiropractor.

He might have been doing this work in good faith, and might have been doing it successfully. I am not denying that, but I do not think he is a chiropractor.

He might be an osteopath or a naturopath, but he is not a chiropractor. Therefore we cannot permit him to be registered as a chiropractor, when he is not one. Regarding the words "treated members of the public in good faith" which appear in clause 4, I refer to some of the witnesses who appeared before the Honorary Royal Commission which inquired into chiropractors some years ago. Some of those witnesses diagnosed cases with pendulums and other gadgets. I am sure the Leader of the Opposition, who was a member of that Honorary Royal Commission, will support me in what I have said; I will be surprised if he does not, because we thrashed out the definition of a chiropractor over many hours.

The definition in the Act states that "chiropractic" means a system of adjusting the articulations of the human spinal column by hand only, but the person in question does not come within the definition. He might be doing the work in good faith, but some of the witnesses who appeared before the Royal Commission also did their work in good faith. However, they were not chiropractors.

As the Minister has pointed out, if the provision for the registration of chiropractors were to be widened there would be no purpose in registering chiropractors, and it would be better to leave them in the position they were in before registration came into force.

If the person in question calls himself a chiropractor, then he should be charged under the Act, because the Act provides in section 19 as follows:—

> After the coming into operation of this Act a person shall not use the title of chiropractor unless he is registered as a chiropractor under this Act and holds a licence to practise chiropractic issued to him by the Board.
>
> Penalty: One hundred pounds, and in addition a daily penalty of five pounds for each day during which the offence is continued.

There is no reason why we should extend the definition merely to enable the person in question or other persons to be registered. That would not make him a chiropractor. He can continue to do what he has been doing, provided he does not call himself a chiropractor.

Mr. Lapham: What does the public call him?

Mr. W. A. MANNING: I am not concerned with what the public calls him; I am only concerned with what he calls himself.

Mr. Ross Hutchinson: The board does not desire to prosecute this person.

Mr. Lapham: There is no necessity to prosecute him.

Mr. W. A. MANNING: There is no reason why he should not be prosecuted if he calls himself a chiropractor.

Mr. Bertram: There is no evidence that he calls himself a chiropractor.

Mr. W. A. MANNING: If some customers call him a chiropractor, that is their business; but he cannot call himself a chiropractor and carry on with his work. I suggest that he is entitled to call himself an osteopath or a naturopath, because there is no registration covering those types of practitioners.

In the Bill the requirement for registration is that a person has acted in good faith in treating members of the public. If that is to be the basis of registration, then the principle could be extended to any other field. We would be entirely wrong in supporting this amendment because it would defeat the whole purpose of the Act.

Mr. Lapham: What about the appeal provision?

Mr. W. A. MANNING: That is not worth anything.

Mr. Bertram: Isn't it?

Mr. W. A. MANNING: No, because they have all had the use of the grandfather provision. The particular person under discussion has not been registered under that provision because he is not a chiropractor.

Mr. Bertram: The appeal provision is there for all chiropractors and the public.

Mr. W. A. MANNING: The appeal provision would be of no value to him because he is not a chiropractor.

Mr. Lapham: How do you know until the case has been heard?

Mr. W. A. MANNING: The honourable member has already told us what he does, and that is something in good faith—whatever that might be—but he is definitely not a chiropractor.

Mr. Bertram: What about those who are chiropractors? Are they not entitled to the right of appeal if their occupation is taken away from them?

Mr. W. A. MANNING: It would not be taken away.

Mr. Bertram: They have the power to deregister.

Mr. W. A. MANNING: This Act has been in force since 1964.

Mr. O'Neil: He can still practise if he is deregistered, but he cannot call himself a chiropractor.

The ACTING SPEAKER (Mr. Williams): Order!

Mr. W. A. MANNING: I suggest there is no value whatever in this amendment, because it would simply defeat the whole object of the registration of chiropractors. Members will naturally have assumed, therefore, that I oppose the Bill.

Debate adjourned, on motion by Mr. Davies.

AUSTRALIA AND NEW ZEALAND BANKING GROUP BILL

Second Reading

Debate resumed from the 16th September.

MR. DAVIES (Victoria Park) [9.02 p.m.]: I must thank the Minister for Education for taking the business of the House out of our hands. It is usually the course on private members' day for the Leader of the Opposition to adjourn the Bills which require to be adjourned. However, we are pleased to co-operate with the House tonight because I understand the Government wants this Bill through by the 1st October. Therefore, in a spirit of pure co-operation we are prepared to adjourn our own measures in order that this Bill might go forward.

This is not a measure which requires a great deal of debate. It certainly is one which would open up wide fields of debate, particularly on banking.

Mr. W. A. Manning: Can you understand it all?

Mr. DAVIES: The member for Narrogin is being unfair. He is asking me whether I understand it! I was just going to say that this is a Bill which opens a wide field for discussion on banking, but I do not believe that this is the time or place for such a debate. Those on this side of the House would be able to point out how much better the country would be had the venture for the nationalisation of banks been successful, and how happier the banks would have been under nationalisation than they are at present under the conditions and controls which have been imposed on them by the Conservative Governments in Canberra.

This Bill is similar to Bills which have been before Parliaments in Great Britain and each of the Australian States. If they have not already been passed in the other Australian States then they are, as is the case with this measure, currently before the respective Houses.

This Bill has been brought about by the amalgamation of the A.N.Z. Bank and the E.S. & A. Bank to form a new group to be known as the A.N.Z. Banking Group Limited. This seems to be the method by which the merger is taking place; and I notice, of course, that we are going to see the emergence of another monolith.

I can see that it is supported and sponsored by the Government in its continued policy of free enterprise and I can realise that the Government wants continued co-operation between the banks. A number of advertisements have appeared both on television and in the Press indicating how good it is for Australia to have a multiplicity of banks, and what a better deal we are all getting because there is competition between banks. When we think of the free enterprise bank policy, it is pleasing to see this departure by the amalgamation which will form, as I said before, another monolith.

It must have been depressing to be a member of the staff of either one of these banks and to be in a spirit of fierce competition. The A.N.Z. Bank and the E.S. & A. Bank had branches operating in all the bigger centres and, of course, there was very keen competition to get customers for each of the banks. The managers would have been pounding the streets in an effort to attract new accounts and each bank would be pointing out what a far better service it provided than the other bank.

Then, suddenly, overnight, as a result of a decision of the directors, these employees are told that they are all on the one level and that there is no competition between the banks and all the announcements they were making to potential customers about being able to offer a better service were, in point of fact, not true. One bank was equal with the other and so they were going to merge. It must have caused some puzzlement to the employees of the banks to find that this was in fact taking place.

We have been told that the reasons for the merger are to provide a better service, to take advantage of computer-operated machines for accounting and tabulating and, of course, to consolidate the forces of the two banks. These are very sound reasons I suppose, but I am willing to bet my next year's salary, whether I am in or out of Parliament, that no better or cheaper service will be provided for the public

resulting from this merger than would have been available from either of the banks had they not formed a merger.

We all know that as soon as one bank adjusts its charges, so does every other bank, and this talk about competition between free enterprise banks is so much bilge, because no better deal is obtained from one than from another. Of course, one bank may favour small accounts while another may favour large accounts; one may attract a particular type of client while yet another bank may attract a different type of client. However, this has in more recent times gone by the board. Policies are now clearly defined and a person might just as well walk into the first bank he comes across as try to select the best of them.

We are always pleased to support the bank which lives here. It does, I believe, try to give more sympathetic consideration to the working man than do the other banks and, of course, it has the aim to provide slightly better interest. Then again it, too, is bounded in respect of the charges and commissions it makes, by those made by the other banks. When one bank makes an adjustment, the next one makes an adjustment of a similar amount. If there was any difference between the Rural and Industries Bank and the others, the best we can say is the difference is maintained.

In considering a measure of this nature we must ensure, firstly, that the public is protected; secondly, that the banks' staffs are protected; and, thirdly, that the Government obtains its cut, if there is a cut to be obtained.

Now, when he introduced this legislation, the Minister took longer to do so than did any Minister to introduce any other legislation during this session. The Minister's notes ran to something like 28 half foolscap pages, and most of the clauses were detailed in some considerable depth. That, of course, was very necessary. I have read the Minister's speech several times, and I have also read the Bill, although not very closely. I have to take the Minister's word for what he claims the Bill does, and what will, in fact, be carried out by the various clauses of the Bill.

The Minister said that the purpose of the legislation was threefold. Firstly, it would reduce the volume of paper work and cut the red tape to a minimum. Secondly, the legislation was desirable to preserve the rights of the existing banks; and, thirdly, it was necessary for the special provisions of the evidence legislation relating to bankers' books to continue to apply to the existing banks, even after they had ceased to hold a banking license.

Those three points are a little different from the three I have mentioned but I believe that, in effect, the same ultimate result will be achieved. I understand, from the way the Bill is written, the public will be protected, from every possible point of view, regarding existing transactions by the banks—each with the other—and their transactions with other banks and financial institutions. As far as the financial asset is concerned, every protection is provided.

The Minister also pointed out that the Bill made provision for looking after the future of the staff. I am sure the application of that provision will produce some headaches in the administration of the bank, because in an area such as Victoria Park it will have two branch managers on its hands but only one branch to manage. However, we are not able to legislate for situations such as that; but we are able to see that there is some provision in the Bill for the protection of the staff.

So I say that two of the three points which I believe are important are covered in the Bill; the protection of the public and the staff.

However, what does the Bill provide in the way of revenue for the State Government? We cannot get away from stamp duty, and various other forms of duties, which flow to the coffers of the State. I would imagine that with a transaction such as this a considerable sum of money will flow to the coffers of the State.

This seems to be the only aspect which was not dealt with in any detail by the Minister for Industrial Development when he introduced the Bill. The Minister said it was desirable to cut red tape to a minimum, and he pointed out the difficulties associated with having to take a large number of documents to the Titles Office on the 1st October, or on the set day from which the merger will operate. It appears that the necessary work can now be done at the leisure of the banks and the Titles Office.

I would have liked some greater assurance from the Minister for Industrial Development in this regard. The Minister said that the saving of documentation was not intended to deprive the State, or any other State in the Commonwealth, of any revenue which might have been derived except for such documentation. In other words, this matter has been amicably worked out so that the State revenue will not suffer. In reply to an interjection by the member for Mt. Hawthorn, that a sizeable sum of stamp duty would be payable, the Minister said that whatever the amount was the State would receive exactly the same amount under this arrangement as it would have received by individual transfers. The Minister said it would have been physically impossible for the Stamp Office and the Land Titles Office, to handle this sort of thing.

That assurance seems firm enough, but it is dealt with in general terms. I would like the Minister who is now handling the Bill to give some assurance that not one

cent of stamp duty will be lost to the State through the action we are now taking in this Parliament.

It is frightful to think of the amount of stamp duty which will be involved. I heard of a person recently obtaining a $5,000 loan from a local bank. I think the charges ran into several hundred dollars, and the $5,000 loan seemed to turn out to be something like $4,819. If an individual has to pay something like $200 in charges and stamp duty, then I certainly hope that an institution the size of the proposed Australia and New Zealand Banking Group will not be allowed any concession.

I would like to hear the Minister comment on the manner in which the stamp duty will be assessed; and I would also like an assurance that the State will not lose by this legislation. Another factor which requires attention is the method by which this Bill has been introduced; but others, more experienced in legal matters than I, will have something to say on that aspect.

As I have said, we are pleased to cooperate with the Government. We realise, of course, that it does not matter what the attitude of the Opposition is, the legislation will go through anyway. We realise that having been accepted by all the other States in Australia, and by the British Labor Government, it must be generally acceptable and in accordance with established practice. The Minister has assured us that the legislation is similar to that introduced in the other States and in the Parliament of Great Britain. Also, additional legislation has been adopted by the Victorian Parliament in order that the banking group might become properly established in Victoria.

With the one reservation, that the State should receive whatever is due to it, I support the Bill.

MR. T. D. EVANS (Kalgoorlie) [9.18 p.m.]: I take this opportunity to comment on the nature of the Bill, and also the circumstances of the presence of the Bill in this Chamber. I indicate, as did my colleague, the member for Victoria Park, my general support for the passage of the legislation.

The Bill, as we have been told by the Minister who introduced it, and also by the honourable member who has just resumed his seat, is to facilitate the merger of two well-known trading banks in Australia. I refer to the Australia and New Zealand Bank Limited, and The English, Scottish and Australian Bank Limited. These two banks are commonly known by their abbreviated forms, the A.N.Z. and the E.S. & A. Bank.

Last year the shareholdings of the two banks, which are both incorporated in the United Kingdom and carry on business in each of the Australian States and elsewhere, were merged. However, that was only a merger of the shareholding.

There remained the legal merger of the assets, the necessary legal validation of transfers of securities, and the affording of protection to persons who had, at that time, entered into legal transactions with the two banks concerned.

We were told by the Minister who introduced the Bill that the legislation has received, in general form, the approval of the House of Commons and of at least two of the Australian States. In one of those States it was introduced, and passed, by a form of procedure which is known as a private Bill, as distinct from a Bill which is introduced by a private member. The contents of the Bill before us are typical of the pattern of measures which have been introduced into this Parliament as private Bills. Reference to Standing Orders will reveal a clearly defined procedure for what is known as a typical private Bill.

A private Bill is said to be one which is introduced into this Parliament pursuant to a definite and clear procedure whereby the Bill is brought to the Parliament not at the instance of a member of the Government or, for that matter, at the instance of a private member, but at the instance of some outside body or organisation. A study of our Statute book will show that several measures found their way to the Parliament of Western Australia as private Bills.

I think it is true to say that the private Bill procedure is valuable for any person or organisation wishing to have legislation enacted but finding that the Government of the day is not prepared to introduce such legislation if it would require the expenditure of public moneys. Alternatively, a Bill may be of such a nature that it could be introduced by a private member but the services of such a private member might not readily be available. Rather than closing the door to legislation, our Standing Orders provide for the procedure which is known as a private Bill.

The procedure requires the expenditure of moneys by those who are initiating or promoting such a measure. A typical feature of the procedure is for the Bill to be submitted to a Select Committee.

The Minister who introduced the Bill told us that the measure was submitted to a Select Committee when it came before the Parliament of the State of New South Wales. One may ask, "Why was this?" Having regard to some of the other pieces of legislation on our Statute book, which are obviously private Bills and were introduced to Parliament by the private Bill procedure, one may well ask, "What is a private Bill?"

May's *Parliamentary Practice*, the parliamentary authority, indicates that in general a private Bill is one which seeks to serve the interests of a private individual

or a small section of the community as distinct from a Bill which is said to be of a public nature and will benefit, or will affect, the public generally.

If we analyse the Bill before the Chamber at the moment in the light of this background, we could be excused for thinking that the measure will affect many people indeed. Nevertheless the number of people who will be affected falls far short of the number required to constitute a substantial number in the community. The latter is the criterion of a Bill which can be said to benefit the public, or at least affect the public, generally.

In these circumstances, it could well be that the procedure adopted in New South Wales is more in keeping with the practice adopted in the past of introducing such a measure by the private Bill procedure. In other words, if an organisation desires legislation it should not be denied the opportunity to have such legislation, but if the legislation is such that it will not affect the public generally but will benefit only a small section of the community, then those who promote the legislation should be prepared to pay the expense of having the legislation receive the *imprimatur* of the Parliament.

This leads me to my second point. When the Minister for Industrial Development launched the legislation in this Chamber he indicated that the view was taken, doubtless by the Government, that the legislation was rightly before the Parliament as a public Bill because public moneys were involved. I do not question the Minister's statement that public moneys are involved, because this is one of the most important and significant features of the Bill. It is a feature we should look at most closely to ensure that the revenue of the State is protected.

My reason for saying this is that, by the legislative pen, we are taking the place of several legal draftsmen; namely, those who would be required to draw up various documents, to effect transfers in the Companies Office, and to effect transfers in the office of the principal registrar of the Mines Department. Ultimately transfers, or at least amendments as to changed names, will be effected at the Titles Office. All these services would normally be effected by members of the legal profession. We in Parliament, are performing these services, free of charge, to the banking institutions concerned.

I am not here to decry the amount of conveyancing work that would normally be channelled through the legal profession. It is not my function to speak against this in the Parliament. I consider this is within the province of the Law Society and something may well be said by that organisation. Nevertheless, I do feel that I should make the observation that the revenue of the State may, in one regard, be very seriously affected.

If one analyses the proposed legislation one finds that on the appointed day—which is defined—with the exception of what are referred to as "the excluded assets" of the banking institutions concerned, the trading unit of each bank is to be transferred to the new group, and the two savings bank units are to be transferred to the A.N.Z. Bank. These excluded assets are defined *inter alia* as the land holdings of the various banking units. In other words, the land registered in the names of the respective banks is not to be transferred; the land is an excluded asset.

It does not take a great deal of study or tax the imagination to any great extent to assume that in the near future an application to have the land titles amended will be made to the Registrar of Titles, by the new banking group in regard to the merger of the two trading banks, and by the A.N.Z. Savings Bank in regard to the merger of the A.N.Z. Savings Bank and the E.S. & A. Savings Bank.

One might ask: What is the subtle distinction between having a title amended and having a title transferred? I can offer an explanation. The transfer of estate and land requires, first of all, the preparation of a transfer. This Bill could obviate the need for the preparation of a transfer, as is the case with all other transfers of interests and property with the exception of land. The normal procedure is that after the transfer has been prepared stamp duty is assessed and the transfer is then presented at the Land Titles Office for registration.

Stamp duty is assessed at the rate of one and a quarter per cent. for the first $10,000 of the value of the property concerned, and at the rate of one and a half per cent. thereafter. The fee for registration of a transfer, duly stamped, is $8. An application to amend is required to be lodged in order to change the name from the "Australia and New Zealand Bank Limited" to the "Australia and New Zealand Banking Group." No stamp duty is required for an application to amend, and the fee is $4—half the cost of a transfer.

Mr. Bovell: Because there is no change of ownership.

Mr. T. D. EVANS: One of the reasons for land being referred to as an "excluded asset" may well be not the evasion but the avoidance of the requisite Land Titles Office fee. There is a provision in the Bill to ensure that the State does not suffer from the loss of stamp duty. I fail to see any undertaking by the banks to indemnify the State for the loss of Land Titles Office fees. I sincerely hope and trust that when the Minister replies to the debate he will make some comment on that aspect. With those remarks, I indicate general support for the measure.

MR. BOVELL (Vasse—Minister for Lands) [9.36 p.m.]: I thank the member for Victoria Park and the member for Kalgoorlie for their comments, and I thank the Opposition for its co-operation in having this measure dealt with.

The member for Victoria Park said that heretofore there had been fierce competition between the two banks, and now that they are amalgamated there might be some difficulties in the staff and organisation of the two banks coming together. That will not be so. I started my career at the age of about 16, as a bank officer with the Western Australian Bank. In 1924 I entered the service of the Western Australian Bank, and in 1927 the Bank of New South Wales and the Western Australian Bank amalgamated. There were no insurmountable problems in connection with the coming together of the two banks.

As a matter of fact, the amalgamation of those banks was beneficial to Western Australia because the resources of both banks were joined. In 1927, some years before the depression, capital was needed when the agricultural areas of this State were expanding. With the additional resources and greater stability that resulted from the amalgamation of those banks, vast sums of money were made available by way of advances to enable development to proceed. Through the policy of those two banks in taking over debts from the then Agricultural Bank, it was possible for the Agricultural Bank to advance money to new settlers and thus develop the agricultural areas.

The other points referred to by the member for Victoria Park were the protection of the public and of the staffs of the banks. I believe that the public and the staffs are protected by the provisions of this Bill. As regards the overall public benefit, I am informed that the proposals contained in this Bill were discussed at length by Commonwealth and State Ministers at conferences of Attorneys-General. There is no doubt that the protection of the Crown, whether Commonwealth or State, has been ensured by the Governments which have considered this Bill. The proposed amalgamation was announced some time ago, and I believe at the same time it was proposed that the Bank of New South Wales and the Commercial Bank of Australia would also amalgamate, but it was subsequently stated that the latter amalgamation would not proceed.

The member for Victoria Park raised the question of duties payable to the Crown. The final clause of the Bill, clause 25, states—

> Nothing in this Act exempts any person from payment of duty chargeable under the Stamp Act, 1921, or from payment of any fees payable by or under any Act.

I should say that is an all-embracing provision which will provide for the protection of the Government in relation to any fees that might be payable under this arrangement.

With regard to the remarks made by the member for Kalgoorlie, I think the Minister for Industrial Development, when introducing the Bill, explained that a private Bill was proceeded with in New South Wales but that in other States it was intended that Bills be introduced and sponsored by the Governments of those States. Of course, in most cases banking is controlled by Commonwealth legislation and I am prepared to accept the advice of the Attorneys-General that a private Bill is not required in this case.

The member for Kalgoorlie also made submissions relating to the voidance of stamp duty on transfers of property owned by each bank, and I hope I understood him correctly. I think it would be fair to assume that as these two organisations are in effect to become one, there will be no transfer of property. In my opinion the ownership will not be altered in any way. There will be an amalgamation, but no transfer of ownership is apparent to me.

Mr. Lapham: The Bill sets up a new authority, though.

Mr. BOVELL: That makes no difference.

Mr. Lapham: Of course it does.

Mr. BOVELL: The ownership will not alter. Therefore, I do not think it could be expected that the two institutions pay duty on the transfer of property to themselves; in effect, that is what it will be. An amalgamation of two concerns will take place, and I do not think it is reasonable to expect duty to be paid on the transfer of property which is, in effect, only a transfer of property to a new name. I think the Bill is in the interests of all associated with the two institutions and also in the interests of the financial stability of Australia.

Question put and passed.

Bill read a second time.

In Committee, etc.

Bill passed through Committee without debate, reported without amendment, and the report adopted.

House adjourned at 9.48 p.m.