Legislative Council

Wednesday, the 5th December, 1979

The PRESIDENT (the Hon. Clive Griffiths) took the Chair at 11.00 a.m., and read prayers.

QUESTIONS

Questions were taken at this stage.

ADJOURNMENT OF THE HOUSE: SPECIAL

THE HON. G. C. MacKINNON (South-West—Leader of the House) [11.17 a.m.]: I move—

That the House at its rising adjourn until 11.00 a.m. tomorrow (Thursday).

Question put and passed.

COMPANY TAKE-OVERS BILL

Introduction and First Reading

Bill introduced, on motion by the Hon. I. G. Medcalf (Attorney General), and read a first time.

METROPOLITAN REGION TOWN PLANNING SCHEME ACT AMENDMENT BILL (No. 2)

Second Reading

Debate resumed from the 28th November.

THE HON. R. F. CLAUGHTON (North Metropolitan) [11.19 a.m.]: The Australian Labor Party opposes this Bill for reasons that I will explain. The Bill contains a number of proposals, some of which have arisen largely because of changes that have occurred over a period of time and the increasing demands of a growing community. Of course, we have no objection to these amendments.

The Opposition does not object to the appointment of a full-time chairman and the recognition within the Statute of the committee system. We also accept the proposal to increase penalties in line with the high rate of inflation which has been the order of the day under Liberal Governments in Australia. We realise the necessity to bring the penalties into line with current values.

The Opposition also appreciates this Bill will alter the status of the objectionable clause 15 in the MRPA scheme. This clause has been used to the great disadvantage of a significant number of people. In fact, we would support this legislation by virtue of that proposition alone.

However, the remaining proposals contained in the Bill are of such serious consequence we have no option but to oppose the entire Bill. It should be well accepted today that people desire a greater say in matters which affect them. Matters which relate to their daily living conditions, of course, are closer to them than are some of the more abstract proposals contained in the Bill.

For example, last night I was discussing the effect on the community of poor road design by the Main Roads Department. These issues are very close to the people who are affected, and they want a say in what is to occur before it occurs so that their problems might be taken into consideration before irrevocable decisions are made and they are placed in an inferior position in the community.

I hope the Government does not give only lip service to the question of public participation; however, we find this principle is not really provided for in this legislation. Therefore, I have placed on notice an amendment which would enable citizens at least to make known their views before the final decision is made. Having made their objections known, they should then be given reasons that they have been either accepted or rejected. I do not think that is a very earth-shattering request to make of the Government to include in this legislation.

The Government should go along with its public utterances on this matter, and not pay only lip service to it. It is all very well for some to say it is making provision for this to be done. However, unless it is done in such a way that it will give the ordinary citizen an effective opportunity to see and understand what will happen, and to have adequate information available to him, the policy is not being put effectively into practice.

Another amendment I have placed on the notice paper deals with appeals. The Government doubtless would assert it has provided an appeals provision of which aggrieved citizens can take advantage; however, it is an appeal to the Minister. When it is remembered that, under this legislation, it is the Minister who approves the schemes or the amendments in the first place, he cannot be seen to be independent in the issue. It is an old adage that justice must not only be done, but also must be seen to be done. We believe that by establishing an independent body which is separate and distinct from the Minister and his department, we would be providing a more satisfactory appeals process for the people.

The Opposition agrees it is desirable to consolidate the amendments which have been made to the scheme. For example, for some time now I have been seeking to have available the

consolidated plans of zoning of Herdsman Lake; however, I have not been able to obtain those plans, even after a lapse of some months. Therefore, it is desirable the authority be given automatic power to produce consolidated maps of changes to the region scheme.

However, what is proposed in the Bill is that by the act of consolidating all the amendments which so far have taken place, there is a possibility that people who have been injured under the existing clause 15 of the scheme would have their rights of redress cancelled.

My own inclination is that that would not happen and there is an obvious advantage in the department having that power to consolidate those maps. I would appreciate it if the Minister would give some sort of assurance to the House and to those people who have come to us expressing concern about that particular clause.

When we come to the procedures for the preparation of the schemes and amendments to the schemes we find this is where the Opposition has its most serious objection. We are gratified that clause 15 is being deleted from the scheme; but in doing this the Government, in the way it has written the amendment to the Act, has provided as follows, and I shall quote from the Minister's speech—

> The amendment proposes that schemes should now be processed in the same way as regulations. The advantages from a practical point of view are that the amendment would come into operation on the day the approved amendment was published and would remain in operation unless disallowed.

For example, we know when the House rises at the end of this session that it may well be August before the Parliament sits again and we have any sort of opportunity as members of Parliament to take action on the disallowance of the gazetted regulations. There is a period of at least seven months in which amendments to a scheme can be gazetted and action taken on those amendments, well ahead of any parliamentary action which might be taken to amend them.

What we must remember about these schemes and the amendments to them is that the metropolitan region scheme draws a broad brush of planning for the metropolitan region. It does not deal with detail. It deals with the larger arrangements which affect a considerable proportion of the community. It is because of this character of the authority's work that Parliament in its wisdom has decided that its proposals should not become law until they have been approved by Parliament.

We are not concerned with minor amendments. The Minister judges whether an amendment is minor. There is some heartburning on that matter as to just who decides and on what basis the amendments are assessed to be not substantial. There are those in the community who would like to see criteria written into the legislation which would be used as a basis for those decisions; but that may be very hard to set down. In any case, any matters judged to be not substantial do not concern us; but any changes judged to be substantial by definition are ones affecting a larger section of the community.

I think it is a negation of the intention of the Act and the will of Parliament if, on the gazettal of an amendment, action can be taken which could put those proposals into effect before we in this Parliament have any chance to debate whether we agree with them. I would have thought that all members of this Chamber would find that an extremely objectionable process to support; a process under which bureaucratic decisions can be implemented and made irrevocable before members of this Parliament can have a chance to say whether they support them. I do not think I will see a wholesale revolt of Government members on this issue; but that is what it demands. We have had Government members sitting on their tails all year, nodding acceptance to everything the Government decides. In this case they have probably not been informed properly of what this Bill means.

I know it is as a result of a motion I moved to disallow amendments in relation to the Herdsman Lake area that this matter was brought to light. So long as that motion stayed on the notice paper and was not proceeded with no action could be taken on Herdsman Lake. For my part I am sorry I ever got the motion off the notice paper.

Quite obviously, if that is so, there is an avenue available to the Government to ensure that that motion is proceeded with in this Chamber without delay. There is no reason that motions of that nature should take more than a few weeks to go through this Chamber, if they are matters concerning substantial changes to region planning.

We have to retain our control of what is done and not leave it to the bureaucrats to decide and carry things into effect without our overview. However, this legislation allows this to happen. If members opposite approve this Bill, that is what they will do; they will abrogate their right to decide on these issues and pass this responsibility to the department.

If that is what Government members want to do, all the expressions we hear from them, and all their protestations about the power of the bureaucracy can be completely discounted. Quite obviously it is nothing more than hot air. We oppose the legislation in toto, largely on those grounds on that particular issue.

One of the related matters is that the Government has argued that because of the procedures for public viewing and objection to the overall region planning provided within the region scheme, a somewhat lengthy process must be undertaken which is to be carried into detail of design by local authorities. The Government believes the authorities should not go through the process themselves.

I put it to members that with a situation such as the one I dealt with yesterday about the man who dwells at the corner of the freeway and McDonald Street, if he had an opportunity to study that change when the details were being drawn up in a region scheme he would have been able to make objections to it.

This change was not implemented in the local authority planning; it was one of those amendments which do not have to go to Parliament or obtain ministerial approval. It is only a matter of detail because it is a minor amendment. This is the type of action that is taken.

When the Minister talks of a reserve it is of course a matter of community interest to know where the final lines of a reserve are to be drawn and also whether privately-owned land is to be included in that reserve. The reverse may occur and public land might to be provided for private ownership. These matters affect the whole community and any community would wish to be given sufficient opportunity to lodge objections to any such proposals.

The Minister is saying that because the change has gone through the process required in the overall scheme, the local authority should not have to go through its own public advertising process. We all know that the bulk of the public do not even hear about the changes to the regional planning because in the main these plans are usually prospective; they will be implemented some time in the future. It is not sure where the final lines are to be drawn at this stage because regional planning is conceptual and does not involve the final detail.

At this stage the owner does not know whether he will be included within the boundary or outside it because the boundary is not fixed. He cannot be sure just how his property will be affected. A fair amount of room exists for adjustment when the boundary goes outside the site boundary of a property, thus involving another property and so on.

Again, I think the Minister is not being fair to the community and to our constituents in proposing that this process which exists now is not really burdensome to the community. He should provide people with an opportunity to learn what is happening and to have time in which to lodge objections. Once something has been done it is too late to change and we all know how difficult it is to have a decision reversed.

We are not doing our job unless we ensure that provisions for objections are allowed to exist as they are presently allowed in the legislation. Because a regional plan is conceptual, when a local authority is drawing up its own district scheme or amendment to it, it has to go to the MRPA to ascertain whether it conforms with its scheme and it is then approved, and can be advertised in the district concerned.

I hope I have outlined the matter sufficiently for the Minister to understand and I indicate that we are opposed to the legislation for the reasons I have given.

THE HON. F. E. McKENZIE (East Metropolitan) [11.46 a.m.]: I rise in support of the comments made by my colleague. I do not intend to cover the ground he has gone over, but there is no doubt that in some form I will duplicate what he has said. I wish to ask several questions of the Attorney General because as he would know, I have a constituent who has for many years been involved in a dispute with the MRPA. This has occurred as a result of the resumption of his land in regard to which a number of court cases have been held. He has had some success in some instances, but other cases have not gone to the Full Court; they have been dealt with in chambers. With the cases in chambers the justice ruled that there was no point in pursuing the matter beyond the primary stage.

Because of the actions taken by officers in the department we have a climate which exists in the community whereby there are pressure groups springing up all over the metropolitan area to protest about what is occurring. I trust this Bill is not designed to enable the authority to circumvent the protestations of those particular groups.

The present section 33 of the Act takes up approximately three pages. The proposed new sections 33 and 33A to 33E involve approximately 9½ pages. There seems to be quite an amount of duplication in relation to section 31 and I am wondering whether there is a need to have such an

extensive provision in respect of section 33 because it is also included in section 31. I know that section 33 provides for the amendment to the scheme, whereas section 31 provides for matters relating to the scheme itself. There could have been some incorporation of the two sections to obviate all the wording that now appears in section 33.

One of the problems is that the more complex these Acts become the more difficult they are to understand, particularly for lay people; and it is mainly lay people who are affected by resumptions of land which are required because of planning schemes which are undertaken. I believe people affected by regional planning schemes should be given more opportunity than they are given at the present time to establish their right to protest against notification of resumptions resulting from the Metropolitan Region Planning Authority's drawing up schemes and subsequently entering into the amendment phase.

Amendments seem to be very general, and quite often, where a small part of a property is affected by a scheme as a result of amendments, very severe resumptions occur, to the extent that in many cases the whole of the land involved, or a great part of it, is subsequently resumed. It is a serious matter when people's homes are resumed because of the necessity for town planning schemes to be proceeded with.

In the main, resumptions take place simply because more roads are needed to cater for the expanding population in outer suburban areas, and the people affected are entitled to a better deal than they are currently receiving. In many instances people receive notice well in advance, and it is essential that they do; but once the schemes are devised the whole of the area surrounding the proposed road becomes affected as far as values are concerned.

I know that one of the provisions is that unaffected values should apply, but other matters should be taken into account, such as rezoning the area to enable an occupier to sell his property at an increased value because of the new zoning. There have been some instances of that in the area I represent, particularly in the vicinity of Orrong Road where quite a number of flat sites now exist. But when a road is to go through, the same zoning provision does not apply. People could well have expected to receive greater compensation because their residences would have become flat sites but that their property is being reserved for future road works.

Members may recall that some months ago I introduced a private member's Bill designed to have clause 15 deleted from the scheme. That obnoxious clause did not provide any right of appeal, not even to the Minister. I was pleased when the Minister gave notice that the authority had decided by resolution to delete clause 15 of the scheme. I am not sure how that will be achieved. I am a legislator, not a legal practitioner, and it is difficult for me to understand fully the implications of the Bill and whether the deletion of clause 15 of the scheme will be achieved by it.

The first question I ask of the Attorney General is: Does the amending Bill enable the authority to carry out its resolution for the deletion of clause 15 of the scheme? If it does, how is it intended to be achieved under these amendments? It may well be that the Bill does not cover it. I want to know what the authority intends to do. Will it advertise the deletion of the clause in the *Government Gazette?* I hope the Minister will clarify the matter because my action was taken as a result of a request to me by a constituent, and I was unable to see good reason for clause 15 not being deleted.

Another matter which involved the same constituent is one which was discussed here in 1974 before I entered Parliament. The question of the disallowance of section 31 relating to the omnibus amendments was discussed in this place and a resolution that it be disallowed was moved, but not carried. I would like the Attorney General to tell me whether the new section 33 (2)(a) includes the approval of any overlay maps when used, as such were used in 1974 when the omnibus amendments to the metropolitan region scheme were deposited for public inspection and objection pursuant to the provisions of section 31 of the Act. Perhaps the Attorney General can tell me what safeguards will protect the public from the confusion which arose from the use of the overlay maps in 1974.

The third question I ask is: Does the new section 33 (2)(a) give the MRPA the power to cover coloured maps, which have been approved by the Minister in accordance with section 33 (2)(a), with overlay maps which have not been so approved, as was done in August, 1974, when the omnibus amendments to the metropolitan region scheme were deposited for public inspection and objection? If so, what safeguards will ensure that those overlay maps do not confuse the amendment as to what is or is not being done?

The decision of Mr Justice Wallace prompted me to move a private member's Bill to delete clause 15 of the scheme. This very question of the overlay maps and the confusion to which they give rise was discussed in the course of the proceedings before Mr Justice Wallace. I have a copy of the

transcript of that case. The Attorney General is probably aware of it, bearing in mind the matter which was before him earlier. It is quite clear from pages 42 and 43 of the transcript that the Crown Counsel (Mr Parker) indicated a great deal of confusion was caused to my constituent and other people by the overlay maps.

It would seem that is a matter which should have been embodied in the Bill. Detailed information should be provided so that affected people, and others, may understand fully what has taken place. The amendments should cover that matter, but I do not see them in the measure. Perhaps the Attorney General will enlighten me in respect of that.

Mr Claughton mentioned at great length the provision for the disallowance of town planning amendments and the fact that it appears from the Minister's second reading speech, in spite of amendments made in another place, we will be faced with the position in which amendments to a scheme may be acted upon before Parliament has an opportunity to disallow them. It was indicated in the Minister's second reading speech that problems arose in connection with amendments tabled in Parliament in 1978 when a motion was moved in the Parliament to disallow the amendments. Apparently that delayed the gazettal of the regulations, because doubt arose as to the legality of proceeding before Parliament had an opportunity to move to disallow the regulations.

It seems the authority will be able to put into operation such amendments before Parliament has an opportunity to determine whether or not they should be disallowed. Of course, that is a cause of great concern. We have amendments on the notice paper to cover that situation so that Parliament will have an opportunity to disallow a scheme before it is acted upon. We must bear in mind that shortly Parliament will rise and probably will not sit again until July of next year. In the intervening period ample time is available for considerable work to be done before Parliament has an opportunity to make a decision on a matter tabled on the last day of the session. It would be a serious matter if considerable work were done before Parliament had the opportunity to disallow the amendment or the scheme.

It would appear that situation has not been corrected, despite amendments made in another place. While the provision in the Bill might correct the situation in respect of the release of land in a scheme, the more serious situation is where land is to be resumed and Parliament is not in a position to disallow an amendment.

The Opposition will move amendments in Committee in respect of that matter. In addition, we propose to move an amendment to allow the right of appeal to an independent tribunal. In the case of resumptions, I do not think appeal provisions can be extended too far because people become most upset when they find their homes are to be resumed. We will deal with those matters in the Committee stage.

I seek clarification from the Attorney General on the matters I have raised, and advise him that I am opposed to the Bill.

THE HON. H. W. GAYFER (Central) [12.06 p.m.]: My remarks arise from the speech made by the Hon. F. E. McKenzie in respect of the Bill before the House. I have been around Parliament House for a considerable time, and I would like to compliment Mr McKenzie on the manner in which he presented his address. The Attorney General was called from his seat in the Chamber, and another Minister—in this case the Minister for Lands—took notes of the questions asked by Mr McKenzie. That is the usual process. What is most unusual is the way Mr McKenzie accepted that move, in spite of the fact that he was asking many questions of the Attorney General. I have seen that sort of thing happen before, but I have never seen it accepted with such good grace by the member on his feet. I would like to congratulate Mr McKenzie because he showed the gentlemanly spirit that we are aware is very much within him.

THE HON. W. M. PIESSE (Lower Central) [12.07 p.m.]: This Bill does not affect my province, but I have been approached by a number of people with queries similar to those raised by Mr McKenzie. I would like the Attorney General to satisfy me that people who will be directly affected by any scheme amendments will be notified personally. I cannot find anything in the Bill, although proposed new section 33(2)(c) says on page 8, "....and notifying all persons who desire to make submissions on any provision of the amendment..."

That is all very well, but it concerns people who desire to make submissions. I would rather the provision say that all persons who are likely to be directly affected by the amendment must be notified. Perhaps it is a matter of drafting, but I would like an assurance that the people who are likely to be affected by an amendment will not have to take a chance that they will read a notice in the *Government Gazette* or in the newspaper. People do not read all notices that are published, such as mining notices, etc.; and yet this is a matter which could affect them greatly.

I seek that assurance from the Attorney General.

THE HON. I. G. MEDCALF (Metropolitan—Attorney General) [12.09 p.m.]: I appreciate the point made by Mr Gayfer in connection with my having to leave the Chamber to answer a telephone call, and Mr McKenzie cheerfully accepting that situation. It goes further than that; the honourable member was good enough to supply me with a copy of the questions he proposed to ask, and that gave me an opportunity to obtain information from the authority and the Town Planning Department which means, of course, the Bill will not be delayed as a result of the questions he has asked.

I appreciate that, because it shows a degree of co-operation which the honourable Mr Gayfer has said one does not always find. It is nice to know there are members who are here genuinely to find out what the position is, and to do their best to consider the legislation without taking political points. Mr McKenzie's conduct deserves some praise.

The Hon. F. E. McKenzie: Both members have made my Christmas a very happy one, I can assure you. I am looking forward to the New Year. Thank you.

The Hon. I. G. MEDCALF: On this occasion, I appreciate what Mr McKenzie has done.

I am sorry the Opposition is opposing the Bill. I appreciate that its opposition is based on a misconception which has arisen and which I will explain in a moment. However, it is based on one or two other grounds.

On my reading of the debate in another place, it was quite apparent that the Opposition intended to oppose the Bill anyway. I am sorry about that, because there are some very beneficial things in this Bill, and it would be desirable for the measure to be passed in the form in which it has come to this House.

Mr Claughton mentioned that there were certain matters in this Bill which the Opposition found quite acceptable. Those matters included the provision for the appointment of a full-time chairman, the recognition of the committee system, and the increase in the penalties. He mentioned also that clause 15 of the scheme was to be deleted.

Mr Claughton made a qualification in regard to the increase in penalties. He said that the increase was due to the high rate of inflation under the Liberal Government. There is no need for me to become involved in a debate upon this. It is an unprofitable subject in relation to going over the past history of some of the Governments we have had in Australia and in Western Australia. The penalties have not been increased since 1965; so I think all Governments have to take their share if, indeed, they are responsible for the rate of inflation, which I doubt.

I think I have said enough about that. I do not propose to digress onto that topic. I think it is more important that we should debate the importance of the Bill.

I would suggest that Mr Claughton's comments in relation to clause 15 being deleted indicate his misreading of the Bill, because that clause is not affected in any way by the Bill. Mr McKenzie asked a more specific question about that, which I will answer in a minute. Clause 15 is not dealt with.

The Hon. R. F. Claughton: It is in the scheme.

The Hon. I. G. MEDCALF: Yes, but it is not affected by this Bill.

Most of the other items which Mr Claughton mentioned will be dealt with in the Committee stage, in relation to his specific amendments. However, there is one matter which is very important and which I would like to deal with now.

I must apologise to members who have been misled by the second reading speech. It was with some consternation, when Mr Claughton referred to page 8 of that speech which I immediately appreciated was not in accordance with the Bill, that I examined page 8. That is simply a transcription of what the Minister said in another place. In fact, the Bill was amended in another place. The Bill before the House—

The Hon. R. F. Claughton: And the amendment was supported in another place; but when we heard the speech we found it was said that the situation had not changed.

The Hon. I. G. MEDCALF: The Bill was amended in another place; and the Bill which is before the House provides that the scheme will not take effect until the last day which Parliament has to disallow has expired. In effect, the scheme does not come into effect, as the second reading speech indicated was proposed originally. If members look at the original Bill which went before the other place, they will see that the provision was as set out in the second reading speech here.

Following the debate in the other place, it was made clear by the Minister that she proposed to amend the Bill. There was an amendment on the notice paper.

The Hon. F. E. McKenzie: We looked at that and we thought, because of what was contained in

the second reading speech here, that what was said down in the other place had not applied.

The Hon. I. G. MEDCALF: I accept that. I apologise to members of this House for that. I can excuse it only on the basis that, when the second reading speech came to me, I had not had the opportunity to study the Bill. I do apologise.

This is the difficulty. I am afraid it sometimes arises when a Minister in one place has to handle matters on behalf of someone else. I am not blaming the Minister. The error should have been picked up; and I am sorry about it. If any honourable member has been misled, I would like to make it quite clear that the reference which Mr Claughton quoted on page 8 is incorrect.

The true position is as it is in the Bill. I confirm it is in the Bill, and it is intended to be as it reads. The true position is that an amendment to the scheme will not take effect until such time as the last day on which the Parliament can disallow it has expired.

The Hon. R. Hetherington: This is a decided improvement. It worried me when I saw the first Bill.

The Hon. I. G. MEDCALF: We will deal with Mr Claughton's amendments when we come to them. They are on a slightly different point. They affect the comment which Mr Claughton made.

The Hon. G. W. Berry: It was misleading.

The Hon. I. G. MEDCALF: I am afraid that the second reading speech is misleading. I am sorry for that, and I have apologised to the House. This is something that would never be done intentionally, I can assure the House. It is one of those inadvertences which sometimes crop up towards the end of the session.

I recall an occasion when the honourable Mr Griffith, as he then was, was in charge of the House, and he read a second reading speech which dealt with the wrong Bill. This was very embarrassing. It was not discovered until we came to the right Bill and it was discovered that he had already read that speech. We had passed the other Bill.

The Hon. R. F. Claughton: A similar thing happened even more recently than that.

The Hon. I. G. MEDCALF: These things do happen occasionally, I am afraid. It is just one of those things. I hope I have explained the situation adequately. I am sorry if anyone has been misled.

I can assure members that the position quite clearly is that an amendment to the scheme will not take effect until the Parliament has had the opportunity to disallow the amendment. Nothing could be done under the amendment, unless it is permitted by some Act. As far as I am aware, it is not permitted. It differs in that respect from the situation under the Interpretation Act where a regulation, once passed, has the force of law and can be implemented, although the Parliament can later disallow it. Anything done from the date of its gazettal is lawful.

That is not the case with an amendment to the scheme. In this case, the authority cannot move on the scheme or act on the amendment until the full time has expired. I think I have made that clear to all members. I hope I have corrected the error that unfortunately appears in the second reading speech.

If any member wishes to raise any point for explanation in regard to that, I shall be glad to answer it, and go over the ground again.

In relation to the point raised by the honourable Mr McKenzie, he asked whether the amending Bill would enable the authority to carry out its intention of the deletion of clause 15 of the scheme. The answer to that is "No". The deletion will be made by an amendment to the metropolitan region scheme made in accordance with the provisions of section 33 of the Act. It has not yet been made. The authority has been consulting with the Crown Law Department, and the amendment is being drafted. It should be made very shortly; but it will not be made by virtue of what we have in this Bill.

The Hon. F. E. McKenzie: I thought it might be consolidated under the legislation.

The Hon. I. G. MEDCALF: It would happen separately. The scheme is a separate instrument from the Bill. The member asked—

> Does the new section 33 (2)(a) include the approval of any overlay maps when used, such as were used in 1974 when the "omnibus" amendment to the metropolitan region scheme was deposited for public inspection and objection made pursuant to the provisions of sections 31 of the scheme Act?
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> If so, what safeguards will protect the public from the confusion which arose from their use in 1974?

The answer is, "No". It does not include the approval of overlay maps. As the scheme and Act now stand, or as amended by the Bill, overlays form no part of the statutory plans. The overlays referred to in respect of the 1974 amendment to the scheme had no purpose other than to identify the location and extent of amendments contained within the amending plans. There is no record of any such confusion apart from one owner, Mr A. C. Uren. If there was confusion, it could be

argued that it arose from overlapping procedures involving an amendment using the provisions of clause 15 of the scheme and the 1974 amendment. There is no provision for overlays in the proposal.

The member then asked—

> Does the new section 33(2)(e) give the MRPA the power to cover coloured maps which have been approved by the Minister in accordance with section 33(2)(a) with overlay maps which have not been so approved as was done in August of 1974 when the "omnibus" amendment to the metropolitan region scheme was deposited for public inspection and objection?
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> If so, what safeguards will ensure that those overlay maps do not confuse the amendment as to what is being done or what is not being done?

As I have indicated already in the previous answer, overlays are an administrative aid to identification, but they have not formed part of the statutory amendment and there are no proposals for them to do so. The overlays used in 1974 have no purpose other than the one I have referred to already.

In the Act at present, provision is made, firstly, for the procedures relating to the introduction of the parent scheme; secondly, for the amendment of the parent scheme in a substantial way; and, thirdly, for the amendment of the parent scheme when the authority certifies that the amendment is not substantial. These provisions are found in sections 31, 32, 33 and the second schedule.

The member was suggesting that perhaps sections 31 and 33 virtually represented a duplication and there is a great similarity in the areas used. He wondered why proposed new section 33 had increased in length. The Bill does not alter the procedures, but merely separates them so that the parent scheme—that is, the original scheme before there was any amendment—is maintained in sections 31 and 32. Those sections deal with the parent scheme whilst proposed new section 33 deals with substantial amendments and proposed new section 33A deals with what one might call minor amendments or amendments which are not considered to be so substantial and where the authority has certified accordingly.

The member will recall that the second schedule relates to the original section 33. It is a very complicated schedule, because it says that where one finds certain expressions in other sections of the Act, they mean something else. It is designed to cater for the situation of an amendment; so it says, "where there is an amendment, the second schedule applies and where certain words are used in section 31, or in other sections, they mean something else." In order to overcome that confusion, the second schedule has now been removed entirely and put in its right place in proposed new section 33; and I believe that explains the reason for the increased length of that section.

The Hon. F. E. McKenzie: It is clear now.

The Hon. I. G. MEDCALF: That is the object. There was no attempt or intention to alter the general procedures of the Act, as expressed already, except to put them in a clear way and to separate the parent scheme, sections 31 and 32, the amendments of a major nature in section 33, and the amendments of a minor nature in section 33A.

I believe that probably answers the question raised by the member and I thank him for giving me the opportunity to ascertain the proper position in advance so that the House was not delayed while I made inquiries.

The Hon. W. Piesse wanted to know whether there was any way of notifying the people affected by the proposed amendment as to what was to take place. I do not know that there is any specific way of doing that, because somebody might be missed if one tried to find out all the people affected by a rather generalised amendment, bearing in mind that we are not dealing just with a particular street alignment only. Frequently we are dealing with more general matters. An amendment to a scheme might relate to zoning matters and it could affect all sorts of people. Also there may be people who are not even landowners who are affected by it.

The method has been adopted of giving very wide publicity to these proposals. I should like to draw the attention of the member to the form of publicity which is set out in proposed section 33. Firstly, copies of the proposed amendment have to be deposited at various offices, including the Town Planning Department, certain council offices, and three other public places situated in the metropolitan region which the authority considers are most convenient for public inspection. Secondly, the amendment has to be published at least three times, firstly, in the *Government Gazette*, secondly in two daily newspapers circulating in the metropolitan area—it has to be published three times in those papers—and, thirdly, it has to be published three times in one Sunday newspaper circulating in the metropolitan area.

The full details of the amendment must be set out. Particulars of the address, and the places and

times at which the proposal can be inspected must be included. The advertisement must say also that any person who wishes to make a submission on any part of the amendment may do so in writing.

In addition to that, the section provides that the authority may take such other steps as it considers necessary to make public the details of the amendment. There is nothing to prevent the authority from doing anything else. In other words, it can, if it wishes, write to all the landowners.

The Hon. W. M. Piesse: There is nothing to say it has to do so.

The Hon. I. G. MEDCALF: It is not compelled to do so. It may take such other steps as it considers necessary to make public the details of the amendment. It has an unlimited scope in that regard. Offhand I cannot tell the member what other steps the authority takes, but I shall make some inquiries about the matter.

If it wishes, it can write to people and I believe it probably does. There is absolutely no attempt in any way to hide what is proposed.

The DEPUTY PRESIDENT: Would the Attorney General kindly address his comments to the Chair? *Hansard* is having difficulty in hearing him.

The Hon. I. G. MEDCALF: There is no attempt to conceal what is proposed; indeed, it is just the reverse. The authority will have to go to great lengths to publicise amendments. I am sure that if the authority becomes aware of any person who ought to be notified—a person who for some reason was unable to read the papers—it will take some steps to notify that person. It is a matter of how far one can go in legislative proposals. I do accept there is nothing in the Bill to require the authority to notify all landowners directly, although I believe the authority would do that in appropriate cases.

The Hon. W. M. Piesse: It is not required to do so.

The Hon. I. G. MEDCALF: That is right. However, I do know of cases where the authority has notified people directly when it has knowledge that those people have a particular interest in a matter.

At this stage I think I have answered all the points raised by members, and I commend the second reading.

Question put and passed.

Bill read a second time.

Sitting suspended from 12.32 to 2.00 p.m.

In Committee

The Deputy Chairman of Committees (the Hon. R. J. L. Williams) in the Chair; the Hon. I. G. Medcalf (Attorney General) in charge of the Bill.

Clause 1: Short title and citation—

The Hon. R. F. CLAUGHTON: The reason that the Opposition did not oppose the second reading, after I had indicated we would oppose it strongly, is the explanation given by the Attorney General that the words included in this second reading speech should have been omitted because an amendment made in the Assembly had overcome the strong objections we had to the provision. This illustrates the great difficulty one faces in attempting to deal with complicated matters with the manner in which Parliament is currently sitting. Certainly I find the examination of legislation difficult when sitting such long hours. I apologise for any errors I might make, as the Attorney General has apologised in respect of his speech. I will not persist with the amendment on the notice paper to page 11 of the Bill. However, I will proceed with the other amendments.

The Hon. G. W. BERRY: I think it is a poor state of affairs when a Minister is handed a second reading speech which does not take account of an amendment made in another place.

The Hon. R. HETHERINGTON: Had I been in the Chamber earlier I would have opposed this measure. Fortunately we have a Minister who is prepared to admit mistakes and to attend to them. I am now much happier with the Bill than I was earlier, and I am glad the Minister made his explanation. I join with Mr Claughton in saying the Opposition is much relieved.

Clause put and passed.

Clauses 2 to 11 put and passed.

Clause 12: Section 33 repealed and sections 33, 33A and 33B substituted—

The Hon. W. M. PIESSE: I thank the Attorney General for his remarks in relation to notification of people whose property may be affected. I would like some redress afforded to such people, although not necessarily in this Bill. Although it has been pointed out that in certain instances people whose property is affected are notified, that is not always the case. I have personal experience of a town planning scheme which affected property that I owned, and I noticed the plans only by the merest accident. It so happened that a member of the local authority in the area protested on my behalf, even though I did not wish to protest.

Local authorities become aware of amendments to town planning schemes, so perhaps they should be responsible for notifying the persons whose property is affected. I would like that matter to be given serious consideration.

The Hon. I. G. MEDCALF: I have noted the point the Hon. Win Piesse has made. Sometimes, there are practical difficulties in ascertaining just who are the interested parties. If it was merely a case of who were the registered proprietors, that could be ascertained quite simply by a search of the records of the Titles Office or the Lands Department. However, it is not always as simple as that. For example, the interested parties could be tenants or leaseholders. This legislation extends to the fringe of the metropolitan area, so, on odd occasions, sharefarmers could be involved.

If we were to say "landowners", we could obtain that information quite easily. However, often those people on the title are deceased, or the property has been sold to a variety of subsequent purchasers and they are not always recorded.

I agree with the point the honourable member raised. It is very galling when one is an interested party and wants to know what is going on and one is not kept informed. I will certainly draw her comments to the attention of the Minister to ascertain whether the authority can do something about the matter.

The Hon. W. M. PIESSE: I thank the Attorney General for his reply. Somebody issues rate notices on this land, and somebody owns it. Therefore, this matter should be covered.

The Hon. R. F. CLAUGHTON: I move an amendment—

> Page 10—Add after paragraph (m) the following new paragraph to stand as paragraph (n)—
>
> (n) The Authority shall publish a summary of all submissions made concerning the amendment, with reasons for the acceptance or rejection of each.

This is to provide that the authority shall publish all submissions made concerning the amendments to the scheme, with reasons for the acceptance or rejection of those submissions.

I note that clause 22 of the Bill seeks to repeal the second schedule. It is the existing second schedule which contains reference to the authority notifying all persons who wish to make submissions on a claim. Apparently, that requirement is to be deleted from the Act.

Serious problems may be occasioned unless people are made aware of what is taking place, and unless they have an opportunity to lodge objections to the amendment. However, the Opposition believes it is not enough to provide for the lodging of objections. We wish to ensure these people are advised of the decision of the authority, and of the reasons for that decision. I am not criticising the authority for its actions; I am simply suggesting a better way.

I have a copy of the recent amendment to the metropolitan region scheme; it concerns the Jervoise Bay-Woodman Point area. The document contains a list of names of those persons who objected, and the authority's decision in respect of those objections. In other words, the authority already provides this information of its own accord; therefore, I cannot see any objection to requiring the authority to carry out this function. In this way, the matter would not be left to chance.

It may well be that all persons listed in the document were also contacted by the authority and advised of the decision; however, there is no guarantee such was the case. For example, I note that one of my constituents—Mr E. Byrne of 198 Flamborough Street, Doubleview—made a submission; but the report on the amendment and the submissions received refers only to an appendix to that document. I have no idea whether Mr Byrne was advised of the reasons for the authority's decision.

I support the comments of the Hon. Win Piesse that not only should advertising procedures be undertaken, but also, as far as is reasonable, all directly affected persons should be advised of the proposed amendment and when submissions or objections are made by people, eventually they should be advised of the decision of the authority, and the reason for that decision.

Another aspect of the matter is that the effect of any amendment to the scheme can have consequences beyond the point of the actual change of purpose of the land. For instance, if one is putting in a road, other roads leading to it could suffer large traffic increases. A person wants to know what will happen.

I would not expect the authority to advise every landowner four kilometres around that a change will be made. I expect the advertising provisions would be such that the authority would take all reasonable steps to make the public at large aware of the change. When a decision is made, the people should be advised of the decision, and the reasons should be given. A planning change does not affect only those people whose property is most directly involved, but it affects other

people as well. The authority should take account of their feelings.

When I was speaking yesterday about Herdsman Lake, Mr Tozer asked whether it was within my electorate. Most of it is not now; and when the Minister for Mines (Mr Mensaros) was commenting on the objections made, he said many of the people did not live around the lake. Of course they do not, and there is no reason why they should. It is a regional reserve. It is recognised in the regional scheme as having importance beyond the immediate locality.

For that reason, people living some distance away have the right to be concerned. One of the gentlemen who came down for a walk around the lake came from Kalamunda or Mundaring because he was concerned about the possible effects on the wildlife.

What we are dealing with here is the broad-brush planning for the metropolitan region. It will affect the whole community. When we are dealing with the requirements on the authority, we have to take account of that. That is why I have moved the amendment. I suggest that the authority should be required to publish the submissions made. It should produce a commentary such as is indicated in the Jervoise Bay report.

The Hon. I. G. MEDCALF: Mr Claughton referred to the second schedule. The items he referred to are included in the section. He gave me the opportunity to check on this, and I have done so. On page 8 of the Bill, line 8 refers to the notifying of persons who desire to make submissions. Most of the rest of the second schedule is brought in at line 22. In fact, it has been included. This explains why section 33 is so much longer than it was originally.

In regard to the amendment moved by the member, he is asking that the authority shall publish a summary of all submissions made concerning the amendment to the scheme, with reasons for the acceptance or rejection of each.

After receiving submissions the amendment, whether in its original form or as modified, is published in the *Government Gazette*. The maps, plans, and diagrams are not published in the *Government Gazette*, but they are open for public inspection at certain places and times notified. Then the amendment that has been published in the *Government Gazette*, together with the report of the authority on the submissions made, is laid before the Parliament. There is a fairly comprehensive method whereby a member of the public can find out exactly what has happened.

After publication it is liable to be disallowed by either House of Parliament. The member is asking that, in addition, the authority should publish a summary of all the submissions made with the reasons for the acceptance or rejection of them. In fact, the authority prepares a summary of all the submissions made. It has to do this for the Minister. This summary is available to any person who has made a submission and if a person has not made a submission, but can show sufficient interest, I do not doubt that he could receive a copy also. This summary is frequently tabled in Parliament and copies are available, I believe, free of charge from the Town Planning Department.

It would be going too far to require a summary of all the submissions to be published. Frequently the documents comprise a massive folder and it is asking too much for such a summary to be published in the Press. It would result in a great deal of unnecessary expense, particularly as the summary is available to any interested party. For this reason, the Government does not believe it can accept the member's amendment.

The Hon. R. F. CLAUGHTON: I refer the Attorney General to the wording of proposed new section 33(2)(g). Substantial progress has been made by the authority towards the preparation of a written summary of the submission. We do not ask that all the submissions be published. We ask only that a summary of them be published. If the Attorney General saw the Jervoise Bay report, he would be aware that this was done in that case and a similar situation existed with regard to the Herdsman Lake proposal.

The department is already doing what we suggest. We want to ensure that it is required to publish a summary and it should not do so of its own volition only. There should be a statutory requirement in that regard.

It may well be that, on occasions, the Attorney General has tabled lengthy reports; but those reports will not be made up of submissions only. They would include other matters relating to research and study material. The actual submissions would form a much smaller portion of the report.

I do not believe we are asking a great deal of the department by asking that a provision be included in the Act to ensure that a summary of the submissions is required to be published.

I hope the Attorney General obtains further advice from the Minister responsible for the Bill to ascertain whether he is prepared to accept the proposal we have put forward. In fact, it will not mean a substantial change to current practice.

The Hon. I. G. MEDCALF: I appreciate the point made by the member. It is true that the authority prepares a summary of all the submissions now and I recollect having tabled summaries of that nature on behalf of the Minister in another place. Those summaries are tabled frequently in Parliament, quite apart from the reports. However, the summary itself can be a voluminous document, depending on the number of submissions received. The member is aware that a great number of submissions have been received in connection with some matters which have been considered to be contentious. As a result, the summary may be lengthy. If the authority was required to publish the summary it could cause a considerable amount of unnecessary expenditure.

As I have indicated, the summary is available to interested parties. It is often tabled in the House. Any interested party can obtain a copy free of charge from the Town Planning Department. It is not considered necessary for a statutory requirement to be laid down that the department should incur the cost involved in advertising a summary of submissions which, in some cases, is lengthy. I have referred this matter to the Minister and that is the reason for the objection. I am prepared to discuss it further with the Minister, but I am not prepared to ask the Committee to delay the passage of the Bill in order to do so.

The Hon. R. F. CLAUGHTON: Naturally, I am disappointed with the Minister's answer. We are aware that when a lengthy submission is put to the Minister, it is summarised. The Minister does not have time to go through all the pages of a lengthy submission. In the case of the Jervoise Bay proposals the submission from the Town of Cockburn was reduced to a reasonable length. I think the same principle would apply in all instances.

I am disappointed that the Government is not prepared to go along with my amendment, and I point out that it is our intention to press for it.

Amendment put and a division taken with the following result—

Ayes 6

Hon. R. F. Claughton	Hon. R. Hetherington
Hon. D. W. Cooley	Hon. R. H. C. Stubbs
Hon. D. K. Dans	Hon. Lyla Elliott

(Teller)

Noes 18

Hon. N. E. Baxter	Hon. I. G. Medcalf
Hon. G. W. Berry	Hon. N. F. Moore
Hon. V. J. Ferry	Hon. O. N. B. Oliver
Hon. H. W. Gayfer	Hon. W. M Piesse
Hon. G. C. MacKinnon	Hon. R. G. Pike
Hon. G. E. Masters	Hon. J. C. Tozer
Hon. M. McAleer	Hon. W. R. Withers
Hon. T. McNeil	Hon. D. J. Wordsworth
Hon. N. McNeill	Hon. A. A. Lewis

(Teller)

Pairs

Ayes	Noes
Hon. F. E. McKenzie	Hon. T. Knight
Hon. R. T. Leeson	Hon. I. G. Pratt

Amendment thus negatived.

The Hon. R. HETHERINGTON: I want to say something briefly about clause 15.

The DEPUTY CHAIRMAN (The Hon. R. J. L. Williams): Order! You cannot say anything about clause 15; I am still dealing with clause 12.

The Hon. R. HETHERINGTON: If you let me finish, Mr Deputy Chairman, I want to say something briefly about clause 15 of the scheme, which comes under this clause of the Bill.

The DEPUTY CHAIRMAN: Are you talking about section 15 of the Act?

The Hon. R. HETHERINGTON: No, clause 15 of the scheme which does not appear in this Bill, but which is validated by the fact that it is made a "Henry VIII" clause to section 33, which is being repealed and substituted.

The DEPUTY CHAIRMAN: Order!

The Hon. R. HETHERINGTON: I will start again, if you like.

The DEPUTY CHAIRMAN: Yes. Henry VIII, I know, but to spring him onto me at 2.35 p.m. is a bit sudden.

The Hon. R. HETHERINGTON: I want, under clause 12 of the Bill, to refer to the section which, in fact, allows the scheme to have the effect of an Act of Parliament; that is, the "Henry VIII" clause which is to be found in the original Act. This allows the authority to draw up a scheme to amend the scheme, and if the scheme is not disallowed within 12 days it becomes operative.

The DEPUTY CHAIRMAN: Would the honourable member please resume his seat. For the clarification of the Committee, I would like members to be more specific as to which subclause within clause 12 they wish to speak. In that way I will be able to follow the argument which, I am sure, is quite sound. I would be obliged if the honourable member would give me the subclause to which he is speaking.

The Hon. R. HETHERINGTON: I am referring to subclause (5). The present scheme, which was set up under the—

The DEPUTY CHAIRMAN: Henry VIII!

The Hon. R. HETHERINGTON: It was set up under section 33 of the Act, with which we are dealing. I am sure the Attorney General is aware of the meaning of a "Henry VIII" clause.

The DEPUTY CHAIRMAN: I appreciate the fact. I also did history, and I appreciate the meaning of a "Henry VIII" clause. I have received enlightenment, and I know what you are talking about now, so please continue. I majored in this section of English history.

The Hon. R. HETHERINGTON: I was looking for a suitable place to talk about what I thought should be in the Bill. Mr McKenzie mentioned that if an enactment of this Parliament amends clause 15 of the scheme, it was something to which the Opposition objected.

The Attorney General has said it is the intention of the authority to get rid of clause 15 of the scheme and to replace it. I am always concerned with "Henry VIII" clauses. It would be more appropriate to include a clause somewhere in this Bill, and this would be a suitable place. I do not expect at this stage of a session that the Attorney General would bring down an amendment, but perhaps we might consider this matter early in the next session. This "Henry VIII" clause to which I am referring—

Point of Order

The Hon. H. W. GAYFER: Mr Deputy Chairman, I rise on a point of order. We are discussing a clause within the Bill, and we do not know what the honourable member is talking about. We realise it is probably an academic discussion, but there is no reference in the Bill to Henry VIII.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): Certainly I stand to be corrected, but if my understanding is correct the *academia* of a "Henry VIII" clause is that it is an expunging clause; that is, it says that everything that has gone before is wrong and everything Henry VIII says is right.

The Hon. H. W. Gayfer: Yes, he got rid of his wives!

The DEPUTY CHAIRMAN: I would ask the Hon. Robert Hetherington to explain in detail—but not in too much detail—what is a "Henry VIII" clause.

Committee Resumed

The Hon. R. HETHERINGTON: If Mr Gayfer—

The Hon. H. W. Gayfer: It is not only me; it is for all the members right across the back benches. We want a lecture from a lecturer to tell us what it is all about.

The Hon. R. HETHERINGTON: I am a little surprised that people who have been members of this place for a long time—

The Hon. H. W. Gayfer: In the country it is rather hard to get educated. Please educate us.

The DEPUTY CHAIRMAN: Order! I would ask the Hon. Robert Hetherington to explain briefly what a "Henry VIII" clause is in his understanding so that other members of the Chamber may be as well informed as he is.

The Hon. R. HETHERINGTON: If the members who wish to know about this will look at page 11 of the Bill they will find proposed new section 33(5) provides that since the amendment is no longer subject to disallowance under proposed subsection (4), it shall have the effect as though its provisions were enacted under this legislation.

A "Henry VIII" clause is one which says that regulations made under the Bill have the same force as if they were enacted by Parliament. This name is given to such a clause because during the reign of Henry VIII the Statute of Proclamations passed by the Parliament said that the proclamations of the King would have the same power as if enacted by the Parliament. Such a clause would give the power to make regulations having the same effect as if enacted by Parliament.

So if a scheme is not disallowed, the authority can make regulations which can amend certain sections of this measure and in fact gives the authority to do so if Parliament fails to check the regulations. Of course, in fact we should check them, but clause 15 of the present scheme was one that got by and it seems to be in contradiction to one section of the present Act in that it takes away the power of appeal that lies in the Act. So clause 15 has brought into law a provision in the scheme that seems to me to be in clear contradiction to the Bill.

The Hon. H. W. Gayfer: So clause 15 of the scheme must be the *force majeure*—the principal clause.

The Hon. R. HETHERINGTON: That is right. Members will remember that Mr McKenzie introduced a Bill in this Chamber as we objected to clause 15 in the scheme. Subsequently Mr

McKenzie withdrew the Bill. However, the Minister took our point and she has announced—we are very pleased about this—that clause 15 is about to be changed. I assume that another clause of a similar kind is not to be inserted in its place.

I remind members that we should look through these amendments to ensure they do not contain something similar. I would like to have had included a clause preventing the authority from taking away any of the appeal provisions in the Act, and it is not beyond the realms of possibility that such a clause could have been drafted.

I mention to the Attorney General that I am still less than happy that this Parliament will not put beyond doubt our decision that clause 15 of the scheme is undesirable and that the authority cannot take such action again. I realise, however, that we cannot ask the Attorney General to pluck such an amendment out of the air at this stage. I accept his assurance that the authority will get rid of clause 15, but if he is still the Attorney General next year—and of course I am hoping we will have a Labor Attorney General then—he will look at this to establish whether he can make it quite clear that the appeal provisions in the main sections of the Act cannot be regulated away. We are giving too much power to the authority—there should be some limit to the regulatory power of the authority in drawing up such schemes, even though we have the power in this Chamber to disallow them.

As I said earlier, I welcome the subclause which was not in the original Bill. I suppose I am really raising what could be regarded as a legal or an academic point, but I hope the Attorney General does not dismiss it. We should not rely on the goodwill of the authority to remove clause 15 of the scheme, or the assurance of a member of the executive. Of course I hope the Attorney General will give that assurance.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): Order! Is Mr Gayfer now satisfied with the explanation of the "Henry VIII" clause?

The Hon. H. W. GAYFER: I sent for the *Concise Oxford Dictionary*, but it does not explain this matter. I have been in this place for 18 years, and I have never heard the term. So, I asked one of my colleagues who has been here 10 years longer than I, but he has never heard the term, either. It is not a term which has been used to refer to legislation; such as *"force majeure"* which is often used.

The Hon. I. G. MEDCALF: It has been very interesting to hear the reference to the "Henry VIII" clause; I am sure we have all benefited from the explanation. However, I regret to say I cannot agree this is a "Henry VIII" clause.

The Hon. R. Hetherington: Perhaps I am wrong.

The Hon. I. G. MEDCALF: In effect, what happens here is that for clause 15 to be deleted, there must be a full amendment to the metropolitan region scheme, which comes in under section 33 of the Act. That amendment must go through the normal processes of being submitted to the Minister, advertised, tabled, and goodness knows what else! It is quite an exhaustive process; in fact, Mr McKenzie counted the pages, and I believe it covers some 9½ pages of the Bill. Therefore, it is not simply a case of the authority having power to legislate.

So, in effect, this Chamber would have the opportunity to debate the matter, if the authority were so unwise as to include clause 15 in some other way—perhaps by including it as clause 16, or using similar phrases elsewhere in the amendment. I am quite sure the authority will not do that because it gave an assurance on a previous occasion that for some time it had been seeking ways and means by which to change this procedure, and that it had been conducting a review. I think we can assume there will be no problem with clause 15 and that it will go in the proper manner. If members do not like what they see, they will have the opportunity of taking some other action.

The Hon. R. HETHERINGTON: I do not intend to debate with the Attorney General whether this is a "Henry VIII" clause.

The DEPUTY CHAIRMAN (the Hon. R. J. L. Williams): I can assure Mr Hetherington I would not allow such a debate to proceed.

The Hon. R. HETHERINGTON: The Attorney General explained that clause 15 of the scheme will stand until we take action to get rid of it. Perhaps it would be better to excise clause 15 by legislative action in this Bill and even include a reference that it could not happen again. Otherwise, until the process is gone through, clause 15 will remain, and I would rather not have it there. However, I accept the Attorney General's assurance that it will not be used. Perhaps, if he is still the Minister, the Attorney General might consider amending the legislation next year.

The Hon. R. F. CLAUGHTON: This clause sets out a procedure with which clause 15 of the scheme would be in conflict. I feel it very likely that any action taken under clause 15 would be *ultra vires* this clause; that was probably the intention of the draftsman. It allows the offending clause 15 of the scheme to be removed.

I apologise to the Committee for the absence of Mr McKenzie; he has been delayed by a mechanical fault in his vehicle. I am sure he would have been interested to speak on this clause.

The Hon. I. G. Medcalf: He need have no fear about clause 15 of the scheme. He has my assurance.

The Hon. R. F. CLAUGHTON: I move an amendment—

> Page 12, line 16—Delete the words "the Minister" and substitute the words "an independent tribunal".

To use a cliche, an appeal back to the Minister who approved the original amendment is like an appeal from Caesar unto Caesar.

The Hon. R. Hetherington: The Leader of the House does not like that term.

The Hon. R. F. CLAUGHTON: He may not like the term, but it is a fairly accurate description of the process. Having made a decision by way of approval, the Minister would be somewhat reluctant to change his mind. It would be better for the Minister and all other parties involved to establish a body or tribunal which would stand aside from the argument and consider the appeal in an objective manner. It is not a new provision; it is contained in the Town Planning and Development Act. I expect the same sorts of bodies are established under that legislation.

The Hon. I. G. MEDCALF: We have had such an amicable debate I would like to be able to say I could accept the amendment, but I cannot do so. The reason is simple. We are not dealing with the same kind of situation we have under the Town Planning and Development Act where we have a provision for an independent tribunal to sit independently of the Minister. In the same way as we have allowed the Minister under that Act to continue to determine appeals, we have provided also for a tribunal to hear appeals. Those matters under the town planning Act mostly affect individual citizens in relation to their subdivisions, transfer of land, and that type of thing and where refusal has been made to a request for a subdivision or some other procedure governed by the particular section in the Act.

The situation here is that we are dealing with an amendment to a scheme under the Metropolitan Region Town Planning Scheme Act. This is an amendment to a scheme which embraces entire areas and matters of policy. We are dealing with much bigger and wider things, particularly in relation to matters of Government policy as distinct from the individual issues which arise in a particular subdivision as to whether approval should be granted or not, and in respect of conditions of subdivisions. Here we are dealing with a much broader area.

I admit that clearly an amendment to the scheme can affect individual issues and the rights of individuals; but it affects these in a number of different ways and over a broad area. We will have some people in favour of the amendment, and some against it. The situation is such that because of policy considerations the Government could not agree to this matter being taken out of the hands of the Government by an independent tribunal. There are other aspects to this matter; but that is the basic reason the Government is not agreeable to the amendment.

Amendment put and negatived.

Clause put and passed.

Clause 13 put and passed.

Clause 14: Section 35A added—

The Hon. R. F. CLAUGHTON: We support the amendments proposed to be moved by the Attorney General.

The Hon. I. G. MEDCALF: I move the following amendments—

> Page 16, line 40—Insert after the word "scheme" the passage " , or an amendment to an existing town planning scheme,".
>
> Page 17, line 6—Delete the word "scheme" and substitute the passage "scheme, or an amendment to an existing town planning scheme,".
>
> Page 17, line 15—Insert after the word "scheme" the passage "or the amendment to an existing town planning scheme, as the case requires,".
>
> Page 17, line 20—Delete the word "Scheme" and substitute the passage "scheme, or an amendment to an existing town planning scheme, as the case requires,".

Amendments put and passed.

The Hon. R. F. CLAUGHTON: During the second reading debate I explained that we were not in support of the proposal that the processes required of local government in amending a scheme should be avoided or reduced. I stated previously that the regional scheme and substantial amendments to it deal with the broad planning of the region; but when it comes to the district scheme, we get down to the detail and we can find that the implementation of the detail can cause considerable disturbances to individuals.

The fact that we have approved the broad planning does not mean we have approved the

detail. I do not think it is accepted that in considering the broad planning proposals for the region we are approving what might be done in detail on the ground. We do not pretend to be doing that in our consideration of changes to the regional scheme.

It would be quite unjust to individuals if we were to remove from them their power to object to the transfer of that broad planning scheme when it comes to the district scheme. It might seem to be of no great matter that where a reserve is approved in a scheme it gets in the district scheme; but reserves can be quite small sites which are important to the local community. If it is a site where the children in the small locality play which is to be removed because of some requirement of the scheme, the local people would want to ensure that some other provision was made for its replacement. It is not as simple as the Attorney General made out in his speech.

If it is an area zoned for some other purpose and is to be made into a reserve, again there should be some provision for that to be considered when we get down to the detail of the district planning. While it may have been approved in the overall regional concept, the change is not made at that point; it is made only when the district scheme is prepared. Again, if a person has some private land involved, he would want to ensure that he was properly compensated or that some reasonable adjustment was made.

It is not good enough that we should be taking the Minister's proposition that the matter already has been considered in the proposition for an amendment to the regional scheme, because really it has not been considered at that level.

I believe we have no option but to oppose this clause as it stands. The Government might make some suitable amendments which would make the clause acceptable; but I cannot see that happening. The process which has existed for some time has operated for the benefit of the community. There has been one instance where things were made difficult—I believe this was in respect of Herdsman Lake—but we have covered that in the changes the Chamber has already approved.

That was the objection and we have already cleared up that matter. We should not now make things more difficult for individuals by taking from them the processes for objection which apply for all other parts of the district, other than those specifically involved in some adjustment to the regional scheme. That is not at all fair. I intend to press my objections to this clause.

The Hon. I. G. MEDCALF: The object of this clause is simply to avoid duplication of procedures. If land is reserved under the metropolitan scheme or an amendment to it, then automatically it must be reserved in the same way under the local authority scheme. That is already the law and the position, and in the same way the reverse situation applies if land is taken out of its reserved condition under an amendment to the scheme or under the scheme itself. It is then automatically due to be taken out of the local authority scheme as well.

As the administrative arrangements now stand this must be accomplished as two separate exercises; firstly, under the metropolitan scheme in relation to the reserve, and then secondly, the local authority has to do exactly the same thing. The object of this amendment is to simplify the administrative procedures so that only one action will be necessary. If land has to be reserved under the metropolitan region scheme then automatically it will be reserved under the local authority's town planning scheme and the local authority is required to take the necessary action. If it does not take it, the Minister is empowered to do so; it provides that there will be only one procedure.

Clause, as amended, put and a division taken with the following result—

Ayes 17

Hon. N. E. Baxter	Hon. N. F. Moore
Hon. G. W. Berry	Hon. O. N. B. Oliver
Hon. V. J. Ferry	Hon. W. M. Piesse
Hon. H. W. Gayfer	Hon. R. G. Pike
Hon. A. A. Lewis	Hon. J. C. Tozer
Hon. G. C. MacKinnon	Hon. W. R. Withers
Hon. T. McNeil	Hon. D. J. Wordsworth
Hon. N. McNeill	Hon. G. E. Masters
Hon. I. G. Medcalf	*(Teller)*

Noes 5

Hon. R. F. Claughton	Hon. R. H. C. Stubbs
Hon. Lyla Elliott	Hon. D. K. Dans
Hon. R. Hetherington	*(Teller)*

Pairs

Ayes	Noes
Hon. R. J. L. Williams	Hon. Grace Vaughan
Hon. M. McAleer	Hon. R. T. Leeson
Hon. I. G. Pratt	Hon. F. E. McKenzie

Clause, as amended, thus passed.

Clauses 15 and 16 put and passed.

Clause 17: Section 42 amended—

The Hon. I. G. MEDCALF: I move an amendment—

Page 18, lines 14 to 19—Delete paragraph (a) and substitute the following—

(a) by adding after the word "Scheme" in the last line of paragraph (a) the passage "or commences or continues to carry out any such development otherwise than in accordance with any condition imposed by the Authority or a local authority pursuant to this Act with respect to the development or otherwise fails to comply with any such condition";

Amendment put and passed.

Clause, as amended, put and passed.

Clauses 18 to 22 put and passed.

Title put and passed.

Report

Bill reported, with amendments, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. I. G. Medcalf (Attorney General), and returned to the Assembly with amendments.

APPROPRIATION BILL (CONSOLIDATED REVENUE FUND)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. C. MacKinnon (Leader of the House), read a first time.

Second Reading

THE HON. G. C. MacKINNON (South-West—Leader of the House) [3.21 p.m.]: I move—

That the Bill be now read a second time.

The main purpose of this Bill is to appropriate the sums required for the services of the current financial year, as detailed in the Estimates. It also makes provision for the grant of supply to complete requirements for this year.

Included in the expenditure Estimates of $1 618 664 000 is an amount of $168 755 000 permanently appropriated by Parliament under special Acts, leaving a balance of $1 449 909 000 which is to be appropriated in the manner shown in a schedule to the Bill.

Supply of $720 million has already been granted under the Supply Act, 1979. Hence further supply of $729 909 000 has been provided for in the Bill.

Provision is also made for a further grant of supply of $40 million from the Public Account for Advance to Treasurer, which is to supplement the sum of $25 million already granted under the Supply Act.

As well as authorising the provision of funds for the current year, the Bill ratifies the amounts spent during 1978-79 in excess of the Estimates for that year. Details of these excesses are given in the relevant schedule to the Bill.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. K. Dans (Leader of the Opposition).

BILLS (4): RETURNED

1. Reserves Bill (No. 2).
2. Constitutional Powers (Coastal Waters) Bill.
3. Crimes (Offences at Sea) Bill.
4. Off-shore (Application of Laws) Act Amendment Bill.

Bills returned from the Assembly without amendment.

CORONERS ACT AMENDMENT BILL

Returned

Bill returned from the Assembly with amendments.

Assembly's Amendments: In Committee

The Deputy Chairman of Committees (the Hon. T. Knight) in the Chair; the Hon. I. G. Medcalf (Attorney General) in charge of the Bill.

The DEPUTY CHAIRMAN: The amendments made by the Assembly are as follows—

No. 1.

Clause 3, page 2—Delete the clause.

No. 2.

New clause 3—Insert a new clause to stand as clause 3 as follows—

Section 3 amended.

3. Section 3 of the principal Act is amended—

(a) by inserting immediately before the interpretation "coroner" an interpretation as follows—

"clerk" in relation to a coroner, means a person nominated as a coroner's clerk pursuant to subsection (2) of section four of this Act; ; and

(b) by deleting the interpretation "resident magistrate".

No. 3.

New clauses 4 and 5—Insert immediately before clause 4 two new clauses to stand as clauses 4 and 5 as follows—

Heading amended.

4. The heading immediately above section four of the principal Act is amended by inserting immediately after the word *"Coroners"* the words *"and nomination of Coroners' Clerks"*.

Section 4 amended.

5. Section 4 of the principal Act is amended—

(a) by inserting immediately after the section number "4." the subsection designation "(1)"; and

(b) by inserting a subsection as follows—

(2) On the recommendation of the Public Service Board of the State, the Attorney General may, by notice published in the *Government Gazette*, nominate as a coroner's clerk any officer of the Public Service of the State specified in the notice by office or other description.

No. 4.

New clause—Insert immediately before clause 20 a new clause to stand as clause 20 as follows—

Section 41 amended.

20. Subsection (2) of section 41 of the principal Act is hereby repealed.

The Hon. I. G. MEDCALF: The amendments are fairly formal, and I will explain their purpose. The first four are interrelated. The situation is that clause 19 of the Bill provides that the Coroner or his clerk may order a medical practitioner to carry out a post mortem examination. However, the Bill does not introduce any definition of "clerk". The Assembly's amendment contains a definition of "clerk" and also the proposed method of the appointment of the clerk. It is necessary to prescribe a method of appointment because the situation varies throughout the State. In the metropolitan area no great difficulty arises as a result of the specialist police group known as the sudden death inquiry squad. However, in country areas less police expertise is available; hence the need for more reference and more directions. There is also a variation in the approach required by individual magistrates. For those reasons it is necessary to define "clerk".

I refer members to the definition in the Assembly's amendment, and to proposed subsection (2) of section 4. It means the clerk will be nominated by the Attorney General on the recommendation of the Public Service Board, and notification will be made in the *Government Gazette*.

The fifth amendment is a minor one which repeals section 41(2) of the Act. That section provides that witnesses at an inquest may be awarded such compensation as the Coroner determines. That is quite unnecessary because witnesses are now paid in accordance with the scale promulgated in the Evidence Act (Witnesses' Fees) Regulations. Therefore, the provision is redundant, and the amendment proposes to ratify a practice which has been adopted.

I move—

That the amendments made by the Assembly be agreed to.

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

Report

Resolution reported, the report adopted, and a message accordingly returned to the Assembly.

REGISTRATION OF BIRTHS, DEATHS AND MARRIAGES ACT AMENDMENT BILL

Returned

Bill returned from the Assembly without amendment.

LOCAL GOVERNMENT ACT AMENDMENT BILL (No. 4)

Second Reading

Debate resumed from the 28th November.

THE HON. R. F. CLAUGHTON (North Metropolitan) [3.35 p.m.]: The Opposition is opposed to this Bill, but I do not intend to press our opposition to it. Our objection relates to clause 3 under which orders may be made to declare a different rate for a portion of a shire. We are informed this has been a long-standing practice of the Government through its Minister and the Governor, and our objection to the proposal is that there does not appear to be a requirement that this may be done only at the request of the local authority itself. Our objection would be removed if some provision were made to that effect within the clause.

We know a problem has arisen in the Harvey Shire in respect of objections raised by ratepayers to a rate fixed by the shire. As a consequence of that some doubt has been raised as to the validity of similar orders made in other local authorities. Of course, we want to have that doubt removed.

It seems to me the Government could have taken note of representations made to it by the Shire of Wanneroo regarding differential rating. The shire proposed a scheme under which a local authority would be able to rate different parts of its area at different values. That is much wider than the limited proposal contained within the Bill; although the Minister's speech referred to country shires where obviously it is good sense to have a different rating system in the town as compared with the rural parts of the shire.

If the Minister can indicate to me that provision is made in the Bill for the Minister to act only on the request of the local authority, our objection to the Bill would be removed.

The Act provides for the process of referendum if ratepayers object to a rating system. The Bill appears to remove that right of referendum and, conceptually at least, it would be possible for a series of orders to be made to adopt a different rating system throughout the district without the ratepayers being in a position to object to it. It might be fairly difficult to take that action in practice, because if ratepayers are upset the councillors will feel it at election time. However, it remains a possibility under the Bill. The problem could easily be overcome if action could be taken only at the request of the local authority.

At another time I may have gone into more detail on the propositions of the Shire of Wanneroo. It is having problems relating to different types of land use in its district. Some provisions in the Local Government Act relate to rating—the urban farm land proposal, for example—and different rates may be set for that portion of the district. It seems that a more logical system would be possible, with further study of the proposals by the Shire of Wanneroo.

THE HON. I. G. MEDCALF (Metropolitan—Attorney General) [3.41 p.m.]: The object of this Bill is to cure the imperfections in the existing system. Obvious imperfections have now been proved as a result of court proceedings in which the Shire of Harvey was involved. Those proceedings resulted in a successful challenge by the ratepayers of Australind to the type of valuation which the Shire of Harvey made.

Because of the need to await the outcome of that case the Shire of Harvey was unable to bring down any further valuation during the rating year. We granted the local authorities an extension in a recent amendment, but that did not assist the Shire of Harvey because the judgment was delivered after the extended date. The shire has been placed in an invidious position.

Basically, the purpose of this Bill is to cure the situation that occurred in the Shire of Harvey and which has been followed by about 80 local authorities. The Government has found it necessary to introduce this Bill to rectify the situation and to put matters to rights for the future.

Problems have been associated with these valuations, partly because of a change in valuation procedures, and partly because it is a pretty complex area. The change in valuation procedures resulted in the creation of the Valuer General's Department and the adoption of slightly different terminology. Previously there was reference to "annual value" or "annual rental value", "unimproved capital value", and so on. Now we talk about "unimproved value" and "gross rental value". They are the phrases used in this Bill.

The golden rule is that a country shire uses the unimproved values, and a town or city shire uses the gross rental values. However, these may be varied; and authority is given to the Minister to make this variation when she is satisfied that part of the shire should be treated differently. The Minister must have good reason for doing this.

Clause 2 provides that if the Minister is satisfied that the council of a municipality—that is, a city or town—should be authorised to use valuations based on unimproved values as distinct from gross rental values, in any portion of the district which portion is predominantly rural, and vice versa in the case of a shire where there is a portion which is predominantly used for non-rural purposes, the Minister may recommend to the Governor that an order be made changing the method of valuation for that portion of the shire. The clause does not provide that the Minister must act on the recommendation of the local authority; but the Minister must be satisfied about the facts of the matter. The council of the municipality may be authorised to use the other valuation.

It is considered that the Minister would not be likely to use such a power without the approval or the approbation, at least, of the local authority.

The Hon. R. F. Claughton: Why not write it in?

The Hon I. G. MEDCALF: It is considered the Minister would not be likely to do that. As for the prospect that the Minister might change the

whole of the basis of the local authority by a series of orders, this would occur only if the authority was rated wrongly. There must be an area in a city or town which is predominantly rural or, in the case of a rural shire, there must be an area which is predominantly used for non-rural purposes.

That criterion is necessary. It must be established before the Minister's power applies. In these circumstances, it is considered that there are ample safeguards. As the honourable Mr Claughton suggested, there are political safeguards in this, which are not expressed in the legislation.

For these reasons, I commend the Bill to the House.

Question put and passed.

Bill read a second time.

Sitting suspended from 3.47 to 4.03 p.m.

In Committee

The Deputy Chairman of Committees (the Hon. T. Knight) in the Chair; the Hon. I. G. Medcalf (Attorney General) in charge of the Bill.

Clause 1 put and passed.

Clause 2: Section 533 amended—

The Hon. N. E. BAXTER: I would like to ask the Attorney General some questions. This clause states unequivocally that "A council of a municipality that is a city or town shall for all rateable property in its district use valuations on gross rental value". I understand from that statement that, in each of the towns and cities prior to the 1st July, 1980, valuations on the gross rental value figure will be drawn up by the Valuer General and these will be the values on which the municipalities will operate from that date.

The clause refers to—

> (b) a shire shall for all rateable property in its district use valuations on unimproved value, unless the Governor makes an Order under subsection (17) of this section authorising the council to use valuations on gross rental value...

Anomalies could occur in that regard. I should like to refer to the Shire of Wanneroo where valuations are carried out on an unimproved capital value basis. It receives its water supply from the Metropolitan Water Board and it has a sewerage scheme. Naturally the rating there would have to be done on a gross rental basis.

I am trying to work out how the Shire of Wanneroo, part of which is a built-up area, can have an equal valuation right across the board for the purpose of local authorities, sewerage services, and water supplies unless an order is made making it mandatory for the shire to use gross rental values.

Further on the following provision appears—

> (9) If the Minister is satisfied that the council of a municipality that is—
>
> (a) a city or town should be authorised to use valuations on unimproved value of rateable property in any portion of the district of that municipality, which portion is, in the opinion of the Minister, used predominantly for rural purposes...

However, under the new Valuation of Land Act we were given to believe that valuations within the area would be the same, regardless of whether they be for water supplies, sewerage services, or local authority rates.

I should like to ask the Attorney General the following questions: will gross rental values automatically, or through the machinations of the Valuer General, come into being on the 1st July, 1980; and will the Shire of Wanneroo which carries out valuations on an unimproved capital basis, have to use gross rental values on water supply and sewerage schemes?

The Hon. I. G. MEDCALF: The member has a great deal of experience in this area and his questions should be treated seriously. A number of teething problems are associated with this matter, because of the new Valuation of Land Act and the changes in valuations which have occurred. Problems have arisen and the Shires of Wanneroo, Merredin, Harvey and a number of others have been affected by the changes. That is one of the reasons that the Government is endeavouring to clarify the situation. It is unfortunate that it is necessary to do so using different Acts; but that is the way it must be done.

Under this Bill it is true the golden rule is that a shire would use the unimproved value, not the gross rental value, unless the Governor makes an order under proposed subsection (17). The Governor can make an order to the effect that the shire shall use gross rental values. The Minister has certain powers, but they all precede the order made by the Governor under proposed subsection (17). The Minister has powers under proposed subsections (9) and (10). For example, under proposed subsection (10) the Minister can make an order that the same system of valuations as was used previously be continued where there is a change in the status of the shire; but that would not apply in this particular case, because the

Shire of Wanneroo has not changed its status. Under proposed subsection (11), the municipality may change the valuation method, subject to a poll of ratepayers being conducted.

I am not sure of the present system of rating for water supplies in the Shire of Wanneroo. Perhaps the Minister for Water Supplies would like to comment on that.

The Hon. N. E. BAXTER: I am still not clear on the matter. The explanation given by the Attorney General in regard to proposed subsection (17) does not mean it is mandatory for the shire to adopt gross rental values. I refer members to the wording of proposed subsection (8)(b). Unimproved capital values are used by the Shire of Wanneroo; therefore, what will it do? Even if the Minister recommends to the Governor that an order be made under proposed subsection (17) authorising the council to use valuations on gross rental values, it is still not mandatory for the council to accept that. It is authorised to adopt those valuations.

The Hon. R. F. Claughton: You allow the council autonomy on that.

The Hon. N. E. BAXTER: This is where the difficulty arises, because if the council says, "We are going to stick to unimproved capital values" a similar value will not be achieved for local authority rating purposes and water and sewerage schemes. Immediately there is an anomaly.

The Attorney General did not answer adequately the questions I asked him and I seek further clarification.

The Hon. G. C. MacKINNON: The matter raised by the member is a problem which has caused much concern. As he said, the date for the possible introduction of the new valuations is 1980. However, I will obtain a transcript of the member's questions and get a detailed answer for him which I shall send to him through the post.

Clause put and passed.

Clause 3 put and passed.

Title put and passed.

Report

Bill reported, without amendment, and the report adopted.

Third Reading

Bill read a third time, on motion by the Hon. I. G. Medcalf (Attorney General), and passed.

NORTH WEST GAS DEVELOPMENT (WOODSIDE) AGREEMENT BILL

Second Reading

Debate resumed from the 4th December.

THE HON. D. K. DANS (South Metropolitan—Leader of the Opposition) [4.15 p.m.]: It goes without saying that the Opposition supports this Bill. It is supported by the State Labor Party and, certainly, it is supported by the National Labor Party.

It seemed to me, for some time, that before any agreement could be reached the consortium handling the North-West Shelf gas project needed to have a bi-partisan policy in respect of going ahead with this vital project; vital not only for Western Australia, but also for the rest of the Commonwealth and, indeed, vital for the supply of energy resources for some other parts of the world.

It is very pleasing to know that that consensus and bi-partisan approach was reached some months ago. I listened to speakers on television—a Canadian and another person—and without making outright statements they implied that when the two major political parties in this country held similar views with regard to what was to happen, then perhaps we would get round to signing an agreement. After all, members of the consortium do require some security of tenure—or as much security of tenure as one can get in this troubled world—for the next 20 years at least.

The Bill itself simply is an agreement and that is good. However, at this stage the green light simply has not been given to get on with the project. I would be much happier today—and I am sure my colleague on my left would be the same—if simultaneously with the discussion on this agreement we were talking about the commencement date for this project as being next Monday, and have the knowledge that the gas has been forward-sold for the next 10 to 20 years.

The fact that the agreement has been entered into is a start. Perhaps we could claim it has been brought down at a late stage in the session. I do not know whether the Government expected to gain any political mileage from that fact, but the agreement is now before us and we certainly do not object to it.

I will not dwell on the Bill because it has been covered effectively in another place. I am sure that Mr Tozer, who represents the area where the majority of the action will take place in the first instance, would like to avail himself of the maximum time—as well he should—to speak

about what it will mean to the region he represents.

The minimum sum of money required to get this project off the ground is some $4 000 million Australian. That is a considerable sum of money. As a matter of fact, a few years ago when the iron-ore industries were developing and, indeed, to go back a little further to when the BP Refinery was envisaged at Kwinana, no-one would have dreamt that we would be discussing a project costing some $4 000 million.

In the first instance gas will be produced from two platforms with 27 or 30 holes from each platform. I believe that 25 of those holes on each platform will be producers. A submarine pipeline of some 130 kilometres will be constructed, and eventually a pipeline will be built to Perth.

It is not really a very big project in terms of structure. However, the fact that it will cost $4 000 million makes it the largest project ever attempted in Australia.

I have some reservations in my mind, and one is that we will have only a 48 per cent Australian-owned interest in the project. I do not want to strike a sour note, but I believe the situation would have been far better if we could have had a majority of Australian shareholding. I notice from a speech made in another place that the BP company has an interest in this venture. BP ventures are 51 per cent owned by the British Government, no matter who the Government may be from time to time. That percentage goes up and down, depending on certain circumstances which occur around the world. If my memory serves me correctly, those shares are held on behalf of the British Government, which, in reality, means the British people. A similar position applies to the Shell Company. Apart from those Shell shares held by the Dutch royal family, the Dutch Government maintains a considerable shareholding in that particular enterprise.

Those countries operate in that manner for a very real reason. They are dealing with something which is vital to the well-being of their countries and the operation of the industries in those countries. I have in mind, particularly, the maritime field.

Perhaps it was impossible for the Australian content in the company to go beyond 48 per cent. Perhaps it was not desired by the consortium partners, or perhaps the finance just could not be raised in Australia. However, if the Commonwealth Government had committed itself to a publicity campaign, a whole range of people throughout Australia would have seen fit to take up the extra percentage involved. The BHP company has literally thousands of shareholders. Each shareholder has a small holding in that group.

I do not intend to be critical; I am saying simply that in this energy-starved world we have to accept the fact that for a variety of reasons we cannot build a pipeline across Australia at the present time. We accept the fact that we have to get under way and try to maintain control over this very vital resource on behalf of the Australian people.

It is a matter of only 3 per cent, and that may not worry some people. However, it makes a considerable difference when one is sitting around a board table. One can compare the Labor Party in this Chamber with 9½ persons facing a battalion of opponents sitting on the other side. That, really, is what it is all about.

In Mexico, Venezuela, and other parts of the world the majority shareholdings in the petroleum industry are held for and on behalf of the people through the national Governments. The same applies in the Middle East.

There may be a number of reasons that the extra 3 per cent Australian content could not be effected. I am a little concerned, though, because I move around the waterfront quite a bit, and at every level. I sometimes hear stories that perhaps we will not have a bonanza in respect of the provision of some of the hardware for this venture. We have been apprised already that the tenders for the jackets and the sleeves have been called overseas. Personally, I know that is a tremendously big job. If anyone cares to step into my office I can show him a newspaper with a photograph of a 610 000-tonne platform being towed into position in the North Sea. Certainly, it is the biggest built so far.

I do not think it would have been beyond the capacity of Australia, and Australians—given enough warning—to engage in that sort of enterprise. I recall that in the days of the Tonkin Government there were knockers who said we could not build the rig *Ocean Endeavour* in Western Australia.

There were people who said it would be impossible to flood the area where the rig was built, and that the idea simply would not work. Despite the many problems, the rig was built, and it was a great success. It has been a little disappointing that there has not been enough work to keep both the *Ocean Endeavour* and the *Ocean Digger* effectively employed all the time.

It has been said to me that the modules will be built in Western Australia. The modules will be

placed on top of the platforms, and I sincerely hope they will be built here. However, it has been said that the people who build the modules, and the module barges which are expendable, already have the contracts. If that is true, I hope that Edlow Engineering will construct the modules in Western Australia.

I do not want to sound a patronising Western Australian, but charity does begin at home. I would like the work done by Western Australian firms whenever possible. I mention this matter because we should not allow ourselves to be pumped full of expectations only to find that we do not have the necessary skills and the wherewithal in this State to go ahead and do the job.

I sound that warning because when we were in Government some of my friends were responsible for bringing a ship to Western Australia to be converted to a drilling platform. Despite the promises given to us, when the vessel arrived the work simply could not be done here and the vessel had to be taken to Singapore.

One feels a little stupid when such situations occur. If memory serves me correctly, as a mark of good faith the company spent $0.25 million doing work here it did not want to do. However, that is history.

It disturbs me that a major contractor in this State—the company which was mainly responsible for the refitting of the *Nyanda*—has turned the key in the lock of its plant at O'Connor. Members will realise I am referring to Evans Deakin Industries Ltd. which has now returned to Brisbane.

I do not want to spend too long on the Committee stage of this Bill, so I will mention some of its clauses now to enable the Minister to reply.

Clause 12(1) of the agreement states—

> (a) use the services of engineers, surveyors, architects and other professional consultants resident and available within the said State;
> (b) use labour available within the said State;
> (c) when preparing specifications, calling for tenders and letting contracts for works materials plant equipment and supplies ensure that Western Australian suppliers manufacturers and contractors are given reasonable opportunity to tender or quote;

I do not know what the word "reasonable" means, but I am sure that the Attorney General will tell us when he gets to his feet. Paragraph (d) then reads—

> (d) give proper consideration and where possible preference to Western Australian suppliers manufacturers and contractors when letting contracts or placing orders for works materials plant equipment and supplies where price quality delivery and service are equal to or better than that obtainable elsewhere.

Mr Deputy President, you would have to agree with me that that is a non-clause; it puts almost impossible restraints on our own tenderers and contractors. While it appears to be good, it does not say anything at all.

One part of the agreement is extremely pleasing, and the only displeasing part is that its provisions will not come into operation immediately. Subclause (1) of clause 13 refers to the port authority legislation, and it reads—

> The State shall as soon as practicable after the Joint Venturers' proposals have been approved hereunder enact legislation to provide for a port authority to administer the port of Dampier and to be responsible for shipping operations and movements within that port.

The clause then outlines the port facilities and all other matters associated with ports.

I have urged the Government, as I am sure Mr Tozer has, to establish a port at Dampier. The absence of such a port has placed unreasonable burdens on the people engaged in the search for offshore oil and the servicing and survey work involved. These people have been forced to use the ports of Broome, Port Hedland, and others. Of course, one cannot overlook the fact that the Pilbara Harbour Pty. Ltd. developed the port there.

So I laud the provision in the agreement to set up a port authority, although I would like the authority set up under separate legislation before the operation in this area really commences. The authority would do away with a great deal of the crtiticism of the major operators in the area and no doubt it would give a great lift to the region. I would like to inform members that I have received letters accusing Pilbara Harbour Pty. Ltd. of charging $300 to deliver one letter to a rig tender. Certainly that seems an excessive amount to me.

The Hon. D. J. Wordsworth: Was the tender out at sea?

The Hon. D. K. DANS: Yes, because Pilbara Harbour Pty. Ltd. would not let it come in.

Certainly the letter had to be sent out to sea, and Pilbara Harbour Pty. Ltd. would have made a profit of only about 150 per cent! That is an example of the kind of thing overseas companies and even local companies become rather prickly about, as do the major provedores in the area who seem to be denied services, not as a matter of policy, but because some people in middle management seem to have a vested interest in making life unbearable for them.

When he replies, I would like the Minister to answer another question. There are two particular areas in the Rankin field, and the life span for these areas is given as some 20 years—

The Hon. J. C. Tozer: That is the period the supply contracts are for.

The Hon. D. K. DANS: That is right. However, *The Australian Financial Review* has put a life span of 12 years on this field. I am not denying that perhaps the 20-year period is the right one, but I would like to know the intention of the company. Does it intend to look at the Angel and the Goodwyn fields? Perhaps we already know the answer, but we would like to hear the Minister's reply. Another little known field is at Tide Hole.

My own personal view is that once the operation gets under way it will give a great incentive to speed up the search to find heavy hydrocarbons. I am led to believe that only 10 per cent of the present known areas are being prospected.

Another area is the Eagle Hawk field. All these fields have recorded large supplies of gas—certainly not all of them as large as the Rankin field, but some of this gas is in easily-exploited water depths. I am sure either the Minister or Mr Tozer will be able to tell me the actual depth of the water in these areas.

Doubt has been raised in the minds of the people in other areas, particularly about condensate. It has been said that a great deal more condensate will be recovered than has been reported. That query should be answered.

I was amazed to read the report of a speech given by a representative of Hamersley Iron to an ALP seminar in Perth. He said that if his company were required to pay the world parity price for gas from Dampier, it would not use it. I am not saying whether the company should pay or not pay the world parity price for gas.

The Hon. J. C. Tozer: Will it get fuel oil more cheaply?

The Hon. D. K. DANS: Mr Innes is the man who made the statement that his company would use coal. Probably it would be extremely cheap to use coal because it would be a form of back-loading for the bulk ore carriers. As Hamersley Iron is going into the shipping business with the ACTU and the maritime unions, such a scheme would reduce outgoings. Coal would be a most economical cargo to transport; the back-loading would give the company a price advantage. I am not suggesting that the gas should be supplied to this company more cheaply, but it seems to be an amazing attitude when gas is on the company's doorstep. I do not know whether Conzinc Riotinto actually owns the coalmines, but I would not be surprised to discover that this company or some of its partners do.

We are led to believe that the Dongara field may not last beyond 1987, and the Opposition recognises the need to get the North-West Shelf project under way as quickly as possible. However, we must greatly expand our efforts to find further supplies of oil and gas. As I said a few moments ago, I believe the new development will stimulate further exploration.

No reference has been made to the rate of royalties, a matter of long-term interest to all Western Australians. Perhaps one of the reasons that royalties have not been mentioned is that none of the gas has been sold at this stage. We cannot be absolutely sure of the price we will receive. However, as soon as the figure is known, the Parliament and the public generally should be made aware of it.

I have accepted the fact that we live in a low-royalty State. We keep royalties down simply because we want the industry here. Some people have tuned into the story that petroleum is running out in the world, but the fact is that more petroleum is available today than ever before. The problem, of course, is the price. We have an abundant supply of gas.

I repeat the Opposition is happy to support the Bill. The project will give a significant boost to our flagging economy. We hope that in the main not only will Western Australians receive a maximum share of the action in the initial construction phases of the project, when hopefully it will provide thousands of our people with jobs, but also that the project will be the beginning of much larger industries in the area which will bring long-term benefits to the people of the State.

I hope we do not repeat the very bad experience which occurred in the initial stages of the iron ore operations and of industry at Kwinana when, after the construction was over, people were left without jobs. This had the result of inflating our

unemployment figures. When the Tonkin Government first came into office, it was faced with the situation of hundreds, if not thousands, of men in the Kwinana area who could not find work. We hope some forward planning will take place to take up the slack, when the project winds down—and that will include people from the construction labour force.

I would like the Government—perhaps in conjunction with the Federal Government—to set up a task force or a bureau during the currency of this operation to examine the labour needs of the area and to conduct some long-term planning so that there is no sudden cut-off point, after which labour no longer is required. I understand the Federal Government has established such a bureau, and it would be a very good exercise for the State of Western Australia to conduct a similar exercise in respect of this project.

We do not want a sudden cut-off point, where the unemployment figures rise from 40 000 one month to 70 000 the next simply because the initial construction stage of the North-West Shelf project has been completed. This is the time for the Government and all those concerned with the project—including the unions—to plan to cope with this situation. Despite the stance any of us takes, skilled tradesmen and certain experts will be needed in the field. Some of those skilled tradesmen will remain, and if there is no work for them, all kinds of difficulties will arise.

I hope the Minister in his reply will say, "The Opposition has supported the Bill as a mark of its faith in Western Australia. We hope to place our imprimatur on the project as a mark of faith in the people of Western Australia by at least accepting some of the Opposition's proposals. We intend to establish a task force or bureau to monitor the labour situation so that the let-down will not be as great as it has been in the past."

Sometimes, when a new project is about to commence, and in the first full flush of excitement, we forget what can happen at the end of the construction period. Then, suddenly, the party is over, the pipeline is constructed, and the well is producing. The Minister made it quite clear that the labour force after the well is producing will be very much smaller than during the initial construction stages.

Most of these problems will not occur for many years. When this project gets under way, it will provide the incentive for further exploration. I would like further locations found not only of additional gas, but also of heavy hydrocarbons. Perhaps some of the things the Government has been saying will happen in the Pilbara actually will occur.

I believe a little "human engineering" should take place to manage this situation to the benefit of all concerned.

The Opposition supports the Bill with enthusiasm.

THE HON. J. C. TOZER (North) [4.49 p.m.]: I support the Bill with enthusiasm, as Mr Dans suggested I would. Clearly, the launching of the North-West Shelf development will presage a further great surge of development in the Pilbara region—part of the North Province, which I am proud to represent. The development will have an impact also on the Kimberley region.

During the 1960s and early 1970s, it was my great privilege to play a significant part in the iron ore developments of that time. I was then a Government officer. I look forward now to playing an equally significant part during the coming period as a member of the Legislative Council, representing that area. My parliamentary office is in Karratha, which will be right at the centre of gravity, where the action will take place.

In discussing this Bill, it is inevitable I will make certain comparisons with what took place in the last decade or so with what will occur in the future.

I refer briefly to the introductory speech of the Minister. He gave us a little bit of history, which I do not wish to repeat in full. The discovery of gas in the North Rankin field was in 1971. At that stage, the operating company—namely, Burmah Oil or, as it was known locally, "Bocal"—set a production target date of 1980.

Mr MacKinnon referred to interruptions which affected those plans. Like him, I believe it was the advent of the Whitlam-Connor era which mainly was responsible for the project not going ahead at that time. It could not proceed not only because of the then Federal Government's refusal to extend exploration licences, but also because of the discouraging economic climate that had been created, the complete withdrawal of incentive, and the loading of the production surcharge which was imposed. These, among other things, led to the delay of the project.

Mr Dans referred briefly to royalties. The Minister informed us that the royalty rate for a primary licence would be 10 per cent of the value of the gas at wellhead.

The Hon. D. K. Dans: On a 60:40 basis.

The Hon. J. C. TOZER: It is strange that should be the basis on which royalties will be

determined, because the iron ore is charged on f.o.b. value across the wharf. As Mr Dans suggests, due to the complementary State and Commonwealth Petroleum (Submerged Lands) Act of 1967, 40 per cent of the royalties will go to the Commonwealth, and and 60 per cent to the State. At the time, there was a serious debate—and High Court challenges—as to who should have control over the continental shelf, and this seemed to me to be an intelligent compromise of where the royalties from this great venture should go.

The Minister's introductory remarks also include reference to the State Energy Commission pipeline. We are apt to forget that this project alone will cost $450 million. By any standards we have ever known, the pipeline from Dampier to Perth, and then to the south-west, costing some $450 million, is a major project in itself, quite apart from the building of the platform at sea, the underwater pipeline, and the LNG plant.

The Hon. D. K. Dans: Not only in regard to money, but from the engineering point of view as well.

The Hon. J. C. TOZER: Yes, in all respects.

It was very interesting to hear that the pipeline agreement was signed on the 23rd November, only a few days ago. Those of us who could read between the lines of what was going on recognised some hard bargaining was taking place. Knowing the Premier and Treasurer as I do, and recognising that in this case he was being aided by the astute Minister for Industrial Development, I was confident these Ministers would be doing the very best that could possibly be done for Western Australia. There can be no doubt they held out for a good, hard bargain.

Of course, the Treasurer and the Minister for Industrial Development could not afford to prejudice the project. However, they have achieved the best possible result, just as the Liberal Government did when it exacted such harsh terms on the iron ore companies in the 1960s.

As Mr Dans mentioned, the royalty figure of 10 per cent of wellhead value is a nebulous one. But so is the value of gas; it is escalating all the time. The sales contracts with the SEC and those which I hope Woodside has nearly completed—

The Hon. D. K. Dans: They are not completed yet.

The Hon. J. C. TOZER: —in fact specifically provide for an escalation in price in accordance with world parity. So, I do not think Mr Dans could expect anything more specific.

The Hon. D. K. Dans: I said that perhaps that was all they could get. It was a far better proposition to let people know if it were possible.

The Hon. J. C. TOZER: The agreement between the SEC and the company was signed on the 23rd November. Because it was a commercial deal, the exact details have not been disclosed.

The gas coming down this pipeline will provide a stability in energy requirements of Perth and industry in the south-west which will be more than welcome. The Minister referred to this project as "the largest and most expensive natural resource project ever undertaken in Australia." This applies only to the initial development of the North Rankin field.

We have been advised the North Rankin field contains 243 billion cubic metres of gas. It is not easy to comprehend or visualise such an amount; however, I am told Sydney Harbour contains much the same volume. The field itself covers an area about 12 times the size of Kings Park, or about 50 square kilometres. The "pay zone" is about 300 metres deep. It is not a great cavity in the ground; it is filled with sandy, loose material, with the gas entrained through that pay zone.

It is worth recalling that the gas is under pressure in the ground; therefore, the volume of natural gas which is extracted will be greater than the volume to which I referred.

Gas production is not easy to predict. Within the pay zone where the gas occurs, there are impermeable vertical barriers; thus, there will not be always a flow of gas to the drawing point of the well. This makes it hard to predict and has forced the use of two platforms in the North Rankin field.

It is noteworthy that it will be necessary for one of the smaller fields to be brought into production before the 20-year contract period expires. The gas is under pressure. As it is drawn off, the pressure through the entire zone drops off and the production also drops off. The required quantity could not be drawn unless either the Goodwyn or Angel wells were tapped.

The Hon. D. K. Dans: That is not in the agreement.

The Hon. J. C. TOZER: I am giving members some extra information. Within the 20-year term, the contractual arrangements already completed with the SEC and those which will be completed with markets overseas will mean the Woodside people will have to bring into production a separate platform in either the Goodwyn or Angel fields.

I look forward to the day when we can win major structural contracts for this next platform, perhaps in 10 years. We are looking forward to the day when Australian industry will be prepared and will have the capacity to tender for this sort of job.

In terms of money, this project is worth about $4 000 million. If we were to add up the money value of all the projects in the north—the four iron ore projects in the Pilbara and the two salt projects, which in themselves are big deals by anyone's standards—we would get just about the same level of actual expenditure.

There is no doubt at all that people in Australia will benefit from these major contracts. People in Perth, Sydney, Melbourne, and industrial cities such as Newcastle will receive great benefits.

This is what happened in the case of the iron ore development, and this is what will happen with this project. We are apt to forget that major components of plant which went into iron ore processing also came from overseas. All the heavy crushing units made in Japan by the Allis-Chalmers group are examples. We will do better this time; but we will still not get the major benefit we would seek.

The Minister has indicated that $170 million in contracts will be let to Western Australian Industry. This is a remarkably huge sum, which will put money into the pay packets of many thousands of people working in the foundries, workshops, and fabricating shops in the Perth metropolitan area.

These massive steel jackets for which details of tenders have been circulated overseas are really quite huge. The Minister mentioned their weight was 50 000 tonnes, but the figure I was given was 46 000 tonnes. It is interesting to note that the steel in each of these jackets is more than is in the main arch of the Sydney Harbour Bridge. That is only the part into which the piles will be driven to keep them in place. It has nothing to do with the production platform which will go on top.

The Minister's speech was a little misleading in that it was not quite complete. Only one of these platforms will be progressed with immediately. We expect the first platform to be in place in 1982 and the second in 1984. Each of these platforms will have something like 30 wells drilled from it. It is exceedingly interesting to note the wells themselves can have a divergence of 50 degrees from the vertical. This means that at a depth of 3 400 metres, the bottom of that well can be splayed out at an angle of 50 degrees and be 3 000 metres away from the vertical. That is why the two platforms eventually will cover an area equal to the size of 12 Kings Parks. So one platform, with its 30 wells, will cover an area of around 25 square kilometres.

The introductory speech indicated there would be 6.5 million tonnes per year of liquefied natural gas for export, and approximately 1.5 million tonnes of condensate. This is very encouraging; I have never seen such high figures cited before. It is very encouraging that this amount of transportation fuel will be available. Of course, the natural gas will be available to the south-west of the State.

We then have a reference to LPG. Again, to this stage, we have not heard previously of LPG. It is a direct by-product available from Barrow Island which was once flared off. It is now shipped in containers to Onslow and distributed throughout the north-west. It is also produced at the BP refinery. We have a great need for this commodity. It will be a valuable product and will augment our energy resources.

A number of references were made to safety limits and the Minister tabled three documents. One of these was the report on safety by Cramer and Warner for the Department of Industrial Development on assessment of site suitability with respect to safety. Their conclusions are fairly interesting. They consider there is a risk factor of one in one million years per head at the site boundary; there is a risk factor of one in 10 million years per head two kilometres away. Dampier is 10 kilometres away and Karratha is 20 kilometres away, so for all practical purposes there is absolutely no risk to the populated areas around the refinery site.

There is a reference in the report to marine activity and as the consultants pointed out, any risk will be limited by common sense. On site the normal safety precautions which are taken on every industrial site will be enforced. Our major developers in the north have introduced a measure of safety which was not known in Western Australia before.

I smiled when the Minister was making his speech and said—

> The plant will incorporate special treatment equipment, the operation of which will be new to Western Australian industry.

This is new to world industry. A decade ago there were no LNG plants at all. This is a brand new technique in industry. There are only eight of these plants in the world and they can be found at the following sites—

Algeria 2
Alaska 1

Libya 1
Brunei 1
Abu Dhabi 1
Indonesia 2.

I mention those places because it is interesting to note the joint venturers include the Shell Company. The Shell Company developed the refineries in Algeria, which were the first LNG plants in the world. So we have the world pioneers with the greatest expertise available. The company's expertise has helped construct all the eight existing plants. The plant at Brunei is the biggest to date, and was the direct responsibility of Shell, which is the major operating partner in this venture. Mr Arnold Bloom, the man who has come out to head the installation of the LNG plant at Withnell Bay near Dampier, is probably the foremost authority in the world on LNG plants.

The Hon. D. K. Dans: Not probably.

The Hon. J. C. TOZER: It is interesting to note the companies which will be involved in this operation. I shall list them—

Woodside Petroleum Development Pty. Ltd.
Woodside Oil Ltd.
Mid-Eastern Oil Ltd.
North West Shelf Development Pty. Ltd.
BP Petroleum Development Australia Proprietary Limited, and
California Asiatic Oil Co.

Some of the best know-how in the world has been assembled to make this venture work. BP also is involved with LNG plants; it is the operator of the Abu Dhabi plant on the Persian Gulf. BHP has offshore experience in Bass Strait.

Like Mr Dans, I too would like to see a greater Australian holding in this venture; but this scarcely seems possible. We have achieved a 48 per cent interest which is an indication of the excellent structure of the companies we have here. Mr Dans also mentioned public shareholding, and I have been able to ascertain that the public shareholding in Woodside Petroleum Ltd. is 57.3 per cent, and this company in turn holds 50 per cent of the total North-West Shelf joint venture. In other words, we have a significant public shareholding in this venture. That is apart from the public shareholding in BHP.

The Hon. D. K. Dans: Had the Government got off its tail it could have interested many more people who would not normally invest in shares.

The Hon. J. C. TOZER: This is a real risk capital venture we are talking about. I do not have money to invest; but even those who do usually do not look at risk projects.

The Hon. D. K. Dans: A common failing of Australian investors.

The Hon. J. C. TOZER: We then come to infrastructure or what will take place onshore away from the plant itself. I am delighted to know the housing will be erected within the townsite of Karratha. I am impressed by the policies displayed by the management which will build houses throughout the rest of the community also. If anyone looks at the allotments at cell 2 in Karratha, he will notice there are allotments left scattered through the private building, the SHC building, the Government Employees' Housing Authority buildings, and Hamersley Iron homes also. This will provide a most desirable social rise in this growing West Pilbara community.

I have been looking at the impact that this developmental project will have on populations and despite what our demographic experts have predicted, I am 100 per cent certain that the population forecast is conservative. I have noted in the past that during the construction period in these major towns wherever they have been, we have never seen the peaks and troughs which people predict as the construction workers move out the permanent work force is moving in. While there might be more project workers, the operational workers themselves move in with their families and this then creates the need for people such as school teachers, shop assistants, carpenters, etc. to service them. While everyone always speaks of these peaks and troughs, they have never been apparent in the growth of Port Hedland. Occasionally the growth pattern may flatten out a little, but even then it is 10 times the growth of other places in Western Australia.

The final projected figure the Minister gave in his speech for Karratha was for 13 000 people in 1988-89. I bet my bottom dollar there will be more than 20 000; it will be a bigger town than Albany.

There will be a work force of 1 650 people for the pipeline contract. This is a large number to be involved in one project and whilst it is not the sort of work force which will have a permanent impact on the town of Karratha, it will hopefully mop up some of the surplus unemployment labour we have in the State.

The Hon. D. K. Dans: The unemployed people move down here.

The Hon. J. C. TOZER: With regard to the question of infrastructure, I think it is very important to sound a note of warning about our water supplies in places like the West Pilbara. There is plenty of water there, but it will cost a large amount of money to produce it. The

Millstream programme has been extended with the spread of bore fields we can probably continue to extend. There is no doubt at all that this sort of urban industrial development will demand more than that and we will have to move in to the development of the new bore fields further up the Fortescue. We will have to look to the damming of rivers such as the Fortescue, the Robe, the Harding, and the Sherlock all of which have suitable dam sites selected. With the damming of the Fortescue, the Minister has already given an undertaking—the Minister for Works at the time was Mr O'Neil—that at no time will the Millstream area be inundated or the beautiful ponds be affected by a dam being constructed on it.

There are other bore fields and one has been located further upstream. This is perhaps the next one to be developed. We have in Western Australia an engineer, Mr Webster, from the Public Works Department who I believe is one of the most skilled men in hydrographic work and water conservation generally. He has spent some time in Israel and he is a very interesting man to talk to. He speaks on a conjunctive use of impounding water on the surface and storing it underground. He explains how the dam will catch the floodwaters that come down on an average of once a year, and then be pumped underground to the subterranean aquifers for storage. The Millstream area on the Fortescue lends itself to this conjunctive use of surface impounding and underground storage, thus avoiding the huge wastage of evaporation.

The Minister made reference to the facilities such as schools, hospitals, and many other facilities that will be required and we wonder if we will be able to cope with the demands. There is no way in the world we can be in front of the demand, but we can certainly try. In 1967 in Port Hedland families were living in packing cases on the beach and it was quite chaotic. We now have a reasonable base upon which to work in Port Hedland and Karratha, as well as Wickham and Roebourne. We will meet the requirements but things will not be easy. It is interesting to note that a second caravan park opened in Karratha a few weeks ago and another is being offered for selection by an entrepreneur now. Special steps will have to be taken to tide us over the period of construction.

The housing requirements for Woodside are at the stage where project builders have been asked to provide prices for the construction of homes and soon after the confirmation of project approval, we will see 400 houses erected in the town of Karratha.

The homes will be initially for the construction workers with their families and key staff of contractors, but eventually they will be for the operational work force.

We have filled up cell 1, and cell 2 is rapidly filling. The services are almost complete for cell 3 and at the moment the Department of Lands is consulting with four planning consultants to ensure that cells 4 and 5 are planned, documented and ready to go at the drop of a hat.

Mr Dans' comments gave the impression that he would like to hear a starting gun fired. This is not the way it works. He saw the years of procrastination before the Mount Newman company commenced operations. Many preliminary aspects of construction work, etc. are done prior to the firing of the starter's gun. The Cliffs agreement was signed in 1963 but it was 1972 before iron was shipped. I suggest that project builders are providing information for Woodside at the moment, but unofficially perhaps.

Mr Dans has already spoken on the general-purpose berth to be constructed near the Port of Dampier. I will not quote from what I said during the debate on the Marine Navigation Aids Act recorded in *Hansard* in 1977. I spoke at length about how imperative it was to rationalise our use of navigational aids, harbour approaches, etc.; and I advocated at that time the development of the port authority.

I found myself in trouble because a maritime newspaper took up the subject and reported my speech at some length. The pilots at Dampier were up in arms because they felt if they had to work for the port authority they would be "civil servants". However, I believe this is something with which we will have to cope. I will speak a little further on this question later in my remarks.

The introductory speech made reference to the requirements for the development of the Karratha airport and that immediately reminded me of what appeared in the Director General of Transport's annual report which was tabled several weeks ago. There was comment on the Karratha Airport by the joint Commonwealth-State committee studying Western Australia's airport needs. Specific recommendations were made by the committee. It would be necessary to extend vastly the aprons and taxiways and make extensions to the terminal building; and controlled air space would have to be introduced.

At the present time we have only three airports with controlled air space; they are the Perth (Guildford) Airport, the Jandakot Airport, and the Port Hedland Airport. The committee

recommended that Karratha should have controlled air space and that would mean the introduction of a control tower and operational equipment and staffing. The committee saw the need to improve the airlines' operating facilities.

The Minister has referred to what may transpire in Jervoise Bay. It is estimated that approximately $170 million of economic activity for local industry will result from the provision of this project. The work he referred to is the building of the modules for the two platforms.

The Minister's speech also mentioned the creation of 650 new construction jobs initially, rising to 1 200 over a period as activity builds up. I repeat, as it occurs in the Pilbara so it occurs in the metropolitan area that service industries and service jobs are also created by the activity of this major engineering task to cost $170 million. So the benefit to Perth is great. I underlined the comment in the Minister's speech that "to Western Australia it is essential", which refers to the economic benefit which will flow from this North-West Shelf project.

It is interesting to note the reference to the availability of the gas; and I am talking about the availability of the gas when the pipeline is complete and it is down in Perth. It is projected that the gas will move down the pipeline in 1984. We can anticipate that the first platform and the subterranean pipeline will be completed at that time, but the LNG plant itself will not be completed. Therefore, in the first instance the gas which does not need to go through the complicated industrial process will be able to flow on its way to Perth; and of course it will be essential because at that time the Dongara flow will be cutting out.

The company has been a little inhibited in its negotiation on markets. At first the indication from the Japanese purchasers was that they would not want gas until 1986. They have now stated an earlier date, but the plans had been formulated to meet the later date. Therefore the programme provides for a longer construction period than was originally anticipated. I have already spoken about the completion of the sales contract with the SEC.

I was interested to note clause 6 of the agreement requires the joint venturers to inform the Minister by the 11th December, 1979, whether they intend to proceed with the overall project. That is only a few days away. It may happen within those few days and we hope it will, but we can anticipate reasonably that short-term extensions will be given. My discussions with the Woodside people indicate it will not be long before the joint venturers will be able to go to the Minister and indicate firmly to him that they intend to proceed.

A good deal has been said about the proposals, which must be submitted within six months; but in fact discussions have been going on with the officers of the Department of Industrial Development for some years and the submission of the proposals is well advanced already; approval in principle has been given. The company had to obtain approval in principle before it could determine final estimates and prepare documentation; this matter is well advanced.

Very little was said by the Minister about the environmental proposals, but he referred to the report of the Environmental Protection Authority. The environment becomes a major task for any engineering or project works. In May, 1979, Woodside submitted its draft environmental impact statement and environmental review and management programme to the Government for its approval. In July it submitted a supplement to the environmental impact statement and environmental review and management programme. The SEC itself had to prepare its own draft environmental review and management programme, and that was submitted in June, 1979. Of course, the EPA has to consider the proposals, and in respect of the plans of the joint venturers for their LNG plant and their other activities in the immediate Karratha-Withnell Bay-Dampier area, they have submitted their report and we can be well pleased with the thoroughness with which Woodside has done its planning and submissions; it has met every possible environmental requirement.

Quite apart from the impact it will have on the normal environment, there is probably no part of Australia which is more interesting and has a greater number of matters of archaeological interest in connection with the Aboriginal people than the Burrup Peninsula where the LNG refinery will be constructed. The EPA report refers in its conclusions to the fact that the archaeological treatment that Woodside has undertaken meets all its requirements. It insists on gates and barriers to keep people out of certain areas. It prescribes that the quarrying of all materials should not take place within 200 metres of the shoreline.

A strange aspect which surprises me is that it points out that the pipeline test solution is toxic and dangerous to marine life and further consultation has to take place with the EPA to dispose of it. The disposal plans for the dredge spoil where it will be placed along the shoreline in

each instance will be subject to EPA approval. But I have never seen an EPA report which contained less criticism of any project, and we are talking about the biggest project which has ever been undertaken in Australia. That indicates how thoroughly the joint venturers have done their work on this occasion. The EPA document was tabled by the Minister when he introduced the Bill last night.

Mr Dans referred to the requirement written into the agreement that local businesses, contractors, workshops, and professional people be given the opportunity to take part in this work. I think what is stated in the agreement is adequate to protect the local entrepreneurs and contractors and the people who want to take part in the project.

I have had the opportunity to hear Mr Ross Harrison speaking on this matter on several occasions. He, as the general manager of this project, has said publicly and with the strongest emphasis that he will channel to local people all work possible in every part of the project. One thing is quite clear: I certainly do not want local contractors feather-bedded. I want them to get the work, but they must be able to compete in quality and price and in meeting the time requirements, because in a project of this nature which is so complex with each stage marrying into the previous stage, there is no room for deficiencies or inadequacies in local contractors. I believe Mr Harrison has spoken to people at all levels—the people who might set up at Jervoise Bay, the Perth Chamber of Commerce, and the Karratha and Port Hedland Chambers of Commerce, where I was able to join him personally—and if local work can be married in with the main task, he has made suggestions to make contact with fabricators and workshops in the city. I believe we will get the share we can cope with, and hopefully we will see the degree of efficiency which the task demands.

The Hon. D. K. Dans: I hope we do not have to take our bowl and ask for more.

The Hon. J. C. TOZER: Like Mr Dans, I am delighted with clause 13 of the agreement which obliges the State to constitute a port authority. I have spoken about it on numerous occasions previously, so I need not emphasise it now. It is highly desirable.

It might be noted that the Minister said in his speech that a side letter would be tabled, and that is quite interesting. It refers to all aspects of the port operation. It speaks of the constitution of the port authority, the powers, duties, and objectives, the provision of services by the authority, the staffing of the authority, the vesting of property, and the financial implications, including port dues and charges, liability for dues, pilotage, and miscellaneous matters.

The only obvious difference I can see is that five people are appointed to the port authority in Port Hedland, one of whom must come from Newman mining and one from Goldsworthy mining. In this case we have one from Hamersley Iron and one from the joint venturers, but only two appointed members, and the general manager becomes by Statute a member of the port authority. As far as I can see, that is the only significant difference between the operation of the Hampden Harbour at Dampier and what we already have at Port Hedland.

I have already noted the housing programmes which will be embarked upon at Karratha. One of my hobby horses in the whole of this development area—

The Hon. R. Hetherington: Which you will no doubt ride to death tonight!

The Hon. J. C. TOZER: —in the north is that buildings erected for the construction work force must be used for the permanent work force. The best example of success in my objective is at Kununurra, where the Public Works Department erected houses for the supervising staff on the main Ord River Dam which are now a most suitable part of the Argyle tourist village. At Wickham chalets were designed specifically so that when they finish their task as work force housing they will become chalets for a tourist village. Unfortunately, they are still being used for the operational work force.

Much has been said about roads. Woodside is not being asked to contribute as much as some of its predecessors did, but where roads are wanted primarily or essentially for the project part of the deal Woodside will be required to build or pay for those roads, which will cost in excess of $1 million.

I would like to have the opportunity to speak at length on the question of the airport, because I am firmly of the opinion the Department of Transport should take back this airport from the Shire of Roebourne. I can only envisage the task ahead as an encumbrance or load on the ratepayers of the shire. Clearly, that should not be so, and it is outside what was envisaged in the local ownership scheme. We must not forget the airport originally belonged to Hamersley Iron; it was never owned by the Department of Civil Aviation or the Department of Transport. I suggest it is in the wrong hands if it is to be owned by the Shire of Roebourne.

Electricity and water charges will be paid by the joint venturers at exactly the same rate as is paid by every other citizen in Karratha. I am pleased about this. I wonder whether the joint venturers will subsidise these things in the manner that Hamersley Iron has done in the same town. I will be disappointed if they do, because it creates an artificial division within the town because some people are so much better off than the rest. We will have to wait and see what happens.

On the matter of water, it is noteworthy that in clause 18(4) of the agreement the company is required to go into desalination. I thought that was an interesting part of the agreement.

The company is required to advise the State should it discover additional reserves of natural gas in the offshore Dampier region. That is an obligation upon every explorer for every mineral, so it is not exceptional in the case of gas. Of course, the programme is continuing.

Woodside had a show of hydrocarbons just a few weeks ago from its Lambert No. 1 well. It did not make the headlines, because of certain other matters in the Press; and I was surprised at that. At present Woodside also is drilling its Parker No. 1 well, just off Dampier. In fact, Woodside is spending $50 million on exploration this year. One hole, Brecknock, which is out from Broome, is costing $10 million. Next year's programme will be comparable with this and three of these holes, each in the order of $10 million, a year will be sunk. Woodside will spend about $50 million next year also. It is a magnificent exploration programme which we all want to continue, even when the venture goes into operation.

Reference was made to the Chief Inspector of Machinery authorising the operating company to operate its equipment to standards approved by him. Clearly, that is an enormous task to give to a Western Australian. One can give only praise to the responsible Minister for sending the Chief Inspector of Machinery to Brunei where he is at this moment studying the essential components for the operation of that colossal undertaking.

I have been selective in what I have spoken on in this speech. I would have liked to cover the matter much more thoroughly, because it is an amazingly interesting agreement for an exceedingly interesting project which I believe should be discussed at length.

This development will not only give the State a magnificent and large venture, but also it will create jobs and it will create development in the Pilbara. Development will bring more people which will mean better services and facilities in the area. The project will improve the whole living and working environment in the region and, therefore, we welcome it.

In addition to that, it must be recognised that gas is really a consolation prize in the search for oil. Oil is the target the joint venturers would like to be able to hit; but being able to develop a gas field of this nature is an added incentive for the exploration to continue. I have already referred to the $50 million which Woodside Petroleum is spending in this area. The development of gas will give a cash flow which will help to recoup some of the exploration costs.

This development is in fact a major encouragement for exploration, and exploration will proceed not only on the North-West Shelf, but also on the Exmouth Plateau. I have heard it said that in those two offshore areas we have every single major petroleum company in the western world operating in one or more leases—either in the Exmouth Plateau or in the North-West Shelf.

This project will help this exploration programme which has developed so wonderfully over the last few years. I believe we will see oil in the not-too-distant future. I confidently expect that will be the case.

I believe I speak for everyone in the North Province when I support the Bill.

Debate adjourned until a later stage of the sitting, on motion by the Hon. W. R. Withers.

(Continued on page 5812)

GOVERNMENT AGREEMENTS BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. C. MacKinnon (Leader of the House), read a first time.

Second Reading

THE HON. G. C. MacKINNON (South-West —Leader of the House) [5.52 p.m.]: On behalf of the Attorney-General, I move—

That the Bill be now read a second time.

The Bill before the House has two major provisions which are of importance to the many major developers which have ratified agreements with the State.

Clause 3 of the Bill aims to eliminate any possible uncertainty which may exist in relation to the manner in which Acts ratifying agreements have been effected over the past 30 years.

To establish the significance of the provisions of the clause it is necessary for me to provide the House with some background on the matter.

Over time legal opinion has not been clear or consistent on the effect that flows from scheduling an agreement and providing in an Act that the agreement is ratified or approved. Consequently, the relevant provisions in agreements have over the years varied materially in their form.

In addition, amending agreements have created further variety insofar as some ratifying Acts have provided that the relevant agreement is simply ratified—or approved. Sometimes much more elaborate provisions have been made with the effect that the agreement is made a law of the State.

Late last year the High Court, in the case of Sankey v. Whitlam (1978) ALR 505, had to decide whether the terms of the financial agreement between the States and the Commonwealth, which was scheduled in the Financial Agreement Act, 1928 and approved by that Act, was a "law of the Commonwealth". The High Court held that the scheduled financial agreement was not a law of the Commonwealth.

Ratification, approval, confirmation or the like were seen to be of legal importance, but did not make the terms of the agreement a law.

This matter was again alluded to in a recent State Full Court ruling to which I will further refer. The consequence is that in a number of our State agreements in which there are provisions whereby Parliament has simply ratified or approved an agreement, the terms of those agreements may not have the force of law.

This could have serious significance. For example, agreements contain provisions expressly varying or overriding the operation of various laws of the State and if the terms of some agreements do not have the force of the law, then the ordinary laws of the State might prevail and the relevant terms of the agreements might not be able to be fulfilled.

Consequently the ability of the company concerned to meet its obligations under the agreement, and the power of the State and its instrumentalities, to fulfill the contractual obligations undertaken in the agreement could be frustrated.

Members will be aware that agreements have over the years been negotiated with almost all major developers in this State. As a result the Government has moved to rectify the position in relation to agreements which are at the heart of the economic development which has taken place in Western Australia since the 1950s.

The other major provisions of this Bill are contained in clause 4.

A recent Full Court decision quashed the convictions of a protestor who earlier this year disrupted work at the Wagerup alumina refinery site. The prosecutions were brought under section 67(4) of the Police Act, which was not designed with reference to ratified industrial agreements.

That decision focussed attention on the inadequacy of existing legislation to deal with protestors who seek to disrupt industrial projects.

Clause 4(1) of this Bill makes it an offence for a person without lawful authority to remain on "subject land" after being warned to leave by—

(a) the owner or occupier or an authorised person on their behalf; or
(b) a member of the Police Force.

"Subject land" is defined in clause 2 of the Bill to cover either land that is set aside or is being used to implement a Government agreement or land where activity is being or is about to be carried out for the same purpose.

Subclause (2) prohibits persons without lawful authority from preventing or hindering such activity or attempting to do so. Subclause (3) provides for an averment in proceedings in respect of a Government agreement.

The Government, supported by the overwhelming majority of Western Australians who recognise the benefits of controlled sensible development of our resources, will not allow such a situation to continue.

Penalties provided in the clause are severe but they reflect the seriousness with which the Government views these deliberate acts of obstruction. As members are aware the Wagerup project was, and all other projects are, required to comply with exhaustive environmental and other requirements. Such requirements are designed to provide maximum long-term benefits for residents of this State.

Consequently the Government will not stand back and see these projects delayed by minority groups who seek to enforce their views on the majority of people who support the ventures.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. K. Dans (Leader of the Opposition).

Sitting suspended from 5.58 to 7.30 p.m.

COMPANY TAKE-OVERS BILL

Second Reading

THE HON. I. G. MEDCALF (Metropolitan—Attorney General) [7.30 p.m.]: I move—

That the Bill be now read a second time.

The purpose of the Company Take-overs Bill is to set out the substantive law for a proposed new take-over code which will regulate the acquisition of voting shares in companies incorporated in Western Australia.

This Bill is based on the proposed new National Company Take-overs Bill, recently introduced in the Federal Parliament as part of the substantive legislation for the national companies and securities industry scheme.

However, it has been modified to enable it to be administered by the Commissioner for Corporate Affairs in Western Australia, as the national companies and securities commission—which is to administer the proposed national scheme—has not yet been established.

Clause 2 of the Bill provides that it is deemed to have come into operation on the 5th December, 1979.

It has become necessary to introduce this Bill at this stage as a holding action, in relation to possible take-over activities involving Western Australian companies, pending the enactment of the legislation for the proposed national scheme—although it is recognised by the Government that the national take-over code may be further amended before its introduction throughout Australia, as a result of any submission that might be received in respect of the Bill now before the Federal Parliament.

Because this Bill is a holding action, it is expressed to expire on the 31st December, 1980—unless, of course, it is repealed before that date.

Queensland has already announced its intention to introduce similar legislation in that State by the end of this year.

The States of New South Wales and Victoria have previously stated that some of the measures contained in this Bill are urgently required to control some of the less desirable conduct presently taking place in connection with take-overs.

In the proposed national code, the threshold for control of take-overs is set at 20 per cent. The Bill now before the House sets a lower threshold of 12.5 per cent. This is in line with the threshold contemplated by the Queensland Government.

The reason for this departure from the threshold in the proposed national code is that any two parties holding, say, 20 per cent each of the voting shares in a target company can combine together and, if they do so, the target company is usually effectively taken over by them without the persons concerned complying with any of the requirements of the code.

It is perhaps worth noting that over 20 public companies have been removed from the official list of the Perth Stock Exchange in the last eight years, as a result of take-overs, although some of them have become subsidiaries of other local listed companies.

Most of the major changes from the existing law contained in the proposed new take-over code result from suggestions made by the stock exchanges, various merchant banks, and other interested parties. The draft national code on which the Bill now before the House is based has been prepared in consultation by the Commonwealth and all State Governments, and takes into account submissions received from the public as a result of exposure of a draft for public comment, for three months, about a year ago.

Whilst it is necessary to ensure fair treatment of shareholders, it could not be said that take-over bids automatically disadvantage existing shareholders. They can operate as a spur to improve management's performance, even if unsuccessful. And they can result in improved disclosure to shareholders, or more efficient allocation of resources.

But the Take-over Code enacted in 1973 and contained in the present Companies Act fails to ensure fair play in all cases and has been manipulated by some parties to the detriment of existing shareholders.

The main deficiencies of the existing law are the lack of adequate information to shareholders, and the ease with which some parties have been able to avoid it by a combination of private acquisitions and purchases on the stock market.

The new code seeks to overcome these problems and other deficiencies in the existing law, without unduly restricting legitimate activity.

The Bill is considerably longer than the present code. This is because it has been found necessary to cover a larger variety of situations than contemplated when the present law was drafted. But the new code is aimed primarily at fair play and promoting both investor confidence and an informed market, rather than at preventing take-overs.

The existing Take-over Code was inserted in the Companies Act by the Companies Act Amendment Act, 1973, which came into force in 1974. Similar provisions were inserted in the companies legislation of the other mainland States and Territories, during the period from 1971 onwards.

The main policy of the existing take-over provisions is to prohibit despatching of certain take-over offers or take-over invitations unless the conditions of section 180C of the present Act are met.

The policy of the proposed new code is very different, in that it is aimed at regulating acquisitions by a person who holds between 12½ per cent and 90 per cent of the voting shares of a company or whose holding would increase to more than 12½ per cent through any proposed acquisitions.

When the national companies and securities industry scheme comes into operation, the proposed code will be repealed and replaced by the proposed national code.

This should result in very little change in the substantive provisions of the law, except as to the administration of it by the national commission.

The main features of the proposed code are as follows—firstly there will be a basic prohibition on any acquisition of shares in a company otherwise than in accordance with the code, if the acquisition would result in a person being entitled to more than 12½ per cent of the voting shares in the relevant company, or increase the entitlement of a person already entitled to between 12½ per cent and 90 per cent of the voting shares in the relevant company, unless the person concerned adopts one of the procedures permitted by the code, or the acquisition is exempt.

Certain exempt acquisitions are set out in clause 10 of the Bill, such as an acquisition of shares by will or acquisitions pursuant to a prospectus. Apart from that, acquisitions are only exempted in respect of the following—

A take-over offer made in accordance with a formal take-over bid.

Take-overs made pursuant to a formal announcement that the person concerned will stand in the stock market for a period of one month and buy all shares offered to him at a specified minimum price in accordance with clause 17.

Acquisitions at a rate not exceeding 3 per cent of the voting shares in the target company in each period of six months.

Acquisitions where the target company is regarded as not being owned by the public; such as sales of small proprietary companies by private treaty.

Purchases on a stock exchange by certain bidders, once the take-over is in progress.

Acquisitions made pursuant to an allotment of shares offered equally to existing shareholders or to the underwriter of such an issue.

These provisions are covered by clauses 13 to 17 of the Bill. The Bill also provides for improved standards of disclosure and control over take-over offers and other statements made in the course of a take-over struggle. For example, the part A statement or part C statement to be issued by a take-over offeror or person making a formal announcement that he will stand in the market must be registered with the Commissioner for Corporate Affairs, who is precluded from registering same unless the documents comply with the Act and the commissioner is of the opinion that they do not contain matter false in a material particular or materially misleading. Thus, the initial take-over documentation will be vetted by the commissioner before it reaches the target company or its shareholders.

In addition, the schedule to the Bill requires disclosure in part A or part B statements issued by the offer or and in part C or part D statements issued by the target company of any material information known to the offerror or the target company, as the case may be, not previously disclosed to the shareholders in the target company.

There are no similar requirements in the existing code as to approval of the documents before they are issued to the target company or as to disclosure of material information.

These provisions are intended to ensure that the smaller investor is more adequately informed as to the merits of the offer.

In addition, there are to be specific controls over profit forecasts made by the offeror or target company and over statements made by the target company as to revaluation of its assets. These are set out in clauses 37 to 38 of the Bill and, except in the case of revaluation of assets made in the context of the target company's annual accounts, no such profit forecasts or revaluations can be made during the take-over without the approval of the commissioner.

The Bill introduces controls over the time for payment of consideration for acquisitions of shares under a formal take-over offer. In the past, there have been many complaints about delays in the payment of consideration by offerors to persons who have accepted a conditional offer, who have had to wait for up to two years before receiving payment in some cases. As a result of certain provisions of the Bill, payment will be required within 30 days after an unconditional offer is accepted, or within 30 days after a conditional offer becomes unconditional—unless

the Minister agrees an extension of time for payment.

There are improved requirements as to disclosure by the offeror and by other parties who hold in excess of 5 per cent of the voting shares in the target company, and any acquisitions or disposals of shares in the target company during the takeover. The present substantial shareholder provisions allow 13 days for notification, but the new provisions require the offeror to give notice, on a daily basis in relation to listed public companies, to the home exchange for the company concerned; and other parties holding in excess of 5 per cent are required to advise whenever there is change of more than 1 per cent in their holding. This gives other shareholders a better opportunity to assess whether or not they could accept the offer or perhaps a rival bid, or retain their shares for the time being.

In recent years, there has been a good deal of criticism of a practice of including "escalation" clauses in agreements for the acquisition of shares from a person holding a large parcel, to give the offeror an advantage when first announcing his offer. Under these escalation clauses, the person selling is to be paid the highest price subsequently paid by the offeror for other shares, although when the offer is eventually made many smaller shareholders are not offered similar benefits. The Bill requires disclosure of such agreements entered into before the offer is announced and prohibits the offeror from entering into further similar agreements after the offer has been announced.

The code generally applies only to voting shares, but holders of non-voting shares, renounceable options, and covertible notes have the right to have their interests acquired by the offeror if the offeror has acquired 90 per cent of the voting shares and are also liable to have their interests acquired compulsorily, if the offeror acquires over 90 per cent of the voting shares.

To ensure that the code can be applied in a flexible manner, clause 55 gives the Minister extensive powers to grant exemptions and there are several related provisions in the Bill giving the commissioner power to grant extensions of time for various matters.

The introduction of the code is more urgent in Western Australia than in other States because of the fact that after it rises shortly, State Parliament may not be able to sit until later next year. The Government is therefore pressing to introduce the code as a holding action until the proposed uniform national company take-overs legislation can be finalised. The code has been agreed in principle with other States and the Commonwealth as a uniform scheme to regulate company take-overs; and subject to the lowering of the threshold to 12 per cent, which I have already mentioned, the Bill is based on that code.

Although I have said that a threshold percentage of 12.5 per cent appears in the Bill—as it does—I may say that it has not been without some concern that a figure has been selected that differs from the figure tentatively agreed by the Commonwealth and other States, namely 20 per cent.

I should inform the House that the final choice of the appropriate percentage figure could still be the subject of further consideration while the Bill is in the Committee stages before the Parliament.

Finally, I would mention that the principles on which the code is based were settled between the Commonwealth and the States at Maroochydore some 18 months ago. They have been reported widely by the media and financial publications and are well known to the commercial community.

With those remarks, I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. K. Dans (Leader of the Opposition.)

APPROPRIATION BILL (GENERAL LOAN FUND)

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. C. MacKinnon (Leader of the House), read a first time.

Second Reading

THE HON. G. C. MacKINNON (South-West —Leader of the House) [7.52 p.m.]: I move—

That the Bill be now read a second time.

In accordance with the procedure that has been adopted in the presentation of the Appropriation Bill (General Loan Fund) in this House, it is my intention to again confine my remarks to a general statement on the actual content of the Bill.

Full details of the works and services to be undertaken during the 1979-80 fiscal year were extensively outlined by the Treasurer in his Loan Estimates speech on the 18th September.

No doubt since then members have examined closely the proposals contained in that speech and related Budget papers, thus obviating the need to go through the same lengthy address in this Chamber.

The Bill seeks to appropriate from General Loan Funds the sums required to carry out works and services detailed in the Loan Estimates.

Of the total finance required for the planned works programme, an amount of $157 103 000 is to be supplied from the General Loan Fund for the purposes listed in the Estimates.

The Estimates contain full details of the programme, together with the source of funds to be employed. The amount to be provided from the General Loan Fund and which is subject to appropriation in this Bill is clearly indentified.

Supply of $75 000 000 has already been granted under the Supply Act, 1979 and the Bill now under consideration seeks further supply of $82 103 000. The total of these two sums; namely $157 103 000, is to be appropriated for the purposes and services expressed in schedule B of the Bill.

As well as authorising the provision of funds for the current year, the measure seek ratification of amounts spent during 1978-79 in exess of the Estimates for that year. Details of these excesses are given in schedule C to the Bill.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. R. Hetherington.

NORTH WEST GAS DEVELOPMENT (WOODSIDE) AGREEMENT BILL

Second Reading

Debate resumed from an earlier stage of the sitting.

THE HON. W. R. WITHERS (North) [7.55 p.m.]: My contribution to the debate will be very short. My colleague, the Hon. John Tozer, covered the Bill very well, although he did say he would like to extend the debate and make a greater contribution.

My main contribution tonight is to congratulate the joint venturers on the commencement of this enormous project, and I also condemn *The West Australian* newspaper for its brief report on such an important project. I found it quite incredible to read a small reference on page 6 of the paper. This project is one of the largest which Australia has ever seen, if not the largest.

The Hon. D. K. Dans That is not unusual for newspapers.

The Hon. W. R. WITHERS: I thought that was quite incredible.

My colleague, the Hon. John Tozer, raised one point on which I would like to comment. He said he would like the responsibility for the Karratha Airport to be taken away from the Roebourne Shire Council. I agree with that comment, assuming of course that the local councillors also agree.

An airport of the size which Karratha is about to become will be for too large to be managed by a local authority. I believe it should be financed by the Federal Department of Transport.

With those few words I think I reflect the view of most Western Australians, particularly my constituents. We offer our congratulations to the joint venturers, and to the Government, for getting this tremendous project to the first rung of the ladder.

THE HON. V. J. FERRY (South-West) [7.57 p.m.]: I take this opportunity to heartily support this important Bill. The development of the North-West Shelf gas project is a major undertaking by world standards, and I commend all those associated with it. It is quite obvious that we, as Western Australians, have yet to realise fully the importance of the project. It has been talked about for some considerable time, and for very good reasons.

I understand the project is very complex. It had to go through the preliminary stages, the feasibility studies, and it now has to go to the stage of actual production which will occur in due course.

I am greatly disappointed with the degree of scepticism which has pervaded our community. When talking of scepticism, I am referring particularly to the knockers in the community who are prepared to criticise projects and say that they cannot happen.

I well remember the development which occurred in the 1960s. As a representative of the south-west of this State, I recall very clearly the development of the iron ore industry in the Pilbara.

The people in my area said, "Everything is happening in the north-west; what is in it for us? What is happening in the south-west?" Of course, the people of the south-west now understand what that development meant not only to the south-west, but to the whole of Western Australia. The development of the iron ore industry in the Pilbara has been of tremendous benefit to this State and to the nation.

The south-west is no different from any other part of the State—it has benefited from the spin-off effect. Subsequent to that, of course, two other projects have come to our area—the alumina industry extended to the Pinjarra area and the Wagerup bauxite alumina industry is now under construction. The Worsley bauxite alumina

industry is set to go early in 1980—and I remind members that 1980 is only one month away.

We now have before the Parliament a Bill to ratify the agreement to allow the North-West Shelf Woodside gas development project to proceed officially. All this adds considerably to the economy of Western Australia.

I come back to the point I was making a little earlier: I am absolutely disgusted and horrified that there are people in the community who wish this project to fail, for reasons known only to themselves—perhaps jealousy, political humbug, or just because they are obstructionists. Some people are against industrial development of any sort at any price. They will obstruct it and do all in their power to hinder development and the establishment of industry. At the same time the very same people scream to high heaven about the lack of job opportunities in the community. They want the Government to do something about unemployment, and this is just what we are doing. We are promoting private industry, as we have done ever since we took office.

The Bill before the House typifies the Government's attitude of encouragement of the private sector to provide the wherewithal for projects that will provide employment. In this way people will have the right to career opportunities and to enjoy the life they want to lead. This can be accomplished without the humbug of people throwing themselves in front of bulldozers in an attempt to stop progress.

It is worth repeating some comments the Minister made in his second reading speech. The direct, onshore work force will peak at about 3 500 employees in 1983-84—that is without the offshore employees and those employed in other direct activities. At the peak of construction the direct, onshore work force involved will be about 5 500. The projections indicate that the construction camp at Hearson Cove will house about 2 800 people, and Karratha—where the work force will be rather more permanent—will increase its work force by 2 700. That is an additional 5 500 jobs, and yet we still have people in the community who say that the Government ought to do something about unemployment. Of course we want to do something about it, and we are being very constructive. We are not just employing people to sweep up the leaves or to keep the grass out of gutters or drains; we will give them very real career opportunities so that they have a meaningful role in life—a job of which they can be proud. That is what this project is all about.

It is estimated that during the construction period, the natural gas pipeline will require the employment of three gangs made up of approximately 1 650 workers. If I heard the Hon. John Tozer correctly he said that Karratha will explode; in fact, its population may exceed that of Albany. According to the Minister, by 1988-89, the population of Karratha will be in excess of 13 000. Karratha is only a few years old, and yet it will have grown from nothing to about 13 000 people by 1988-89.

What a tremendous undertaking this is. It will give people the opportunity to live in a civilised way in modern surroundings with all the amenities that will be provided in these new towns.

I am sure one or two members in the Chamber will say something about the effect of this project on industries closer to the metropolitan area, and particularly perhaps to Jervoise Bay. I will not expand on that except to say that indirect projects will provide jobs for many people in the metropolitan area.

I will return to the point at which I started: as a representative of the south-west, I am very proud indeed that this is happening in the north-west. I am not disappointed or jealous, because I know the people whom I have the privilege to represent will benefit from this increased population. We know the new residents in the north-west will want food and supplies, and they will call on the services of many ancillary industries. When they take their holidays, no doubt they will journey south, and what better place to visit in the very hot weather than the south-west corner of Western Australia? It is a magnificent area, and the tourist industry and commerce will benefit from the influx of visitors.

As a result of talking with people working in the iron ore industry in the Pilbara I know that many of them are purchasing building blocks south from Mandurah to Augusta, and even down to Denmark. Perhaps some of these people hope to make a profit by selling the land at a later stage, but I gather from my inquiries that most of them intend to build homes on the blocks they were buying. As the bauxite alumina industry expands, many will leave the Pilbara for our kinder climate and the progression of people from one area to another will assist the development of this State. I believe I have demonstrated the spin-off that the south-west will experience. The recent proclamation of the City of Bunbury is another incentive for the people to go south. Let us not be jealous of the north-west.

The Hon. D. K. Dans: Who is jealous of the north-west?

The Hon. V. J. FERRY: Many people, including members of the Labor Party. I well remember the catch cry of the Labor Party in 1970-71, "What is happening to the south-west? All the Liberal and Country Party representatives can think of is the north-west." The Labor Party even came up with the idea of a Minister for the south-west.

The Hon. D. K. Dans: What has that to do with the Bill?

The Hon. V. J. FERRY: It has everything to do with the Bill. The project we are talking about will give people the opportunity to engage in industry and to earn a living. Everyone will benefit. The comment of the Leader of the Opposition does him no credit—perhaps unconsciously he is jealous.

The Hon. D. K. Dans: What you are doing is stonewalling the Bill, and you don't know it!

The Hon. V. J. FERRY: The Leader of the Opposition said officially that he supports the Bill.

The Hon. D. K. Dans: I do not go along with the tripe you are now giving us.

The Hon. V. J. FERRY: He is now suggesting that the south-west has nothing to do with the north-west. We are all Western Australians and we will all benefit from this development. That sort of thinking does no credit to the Labor Party.

The Hon. D. K. Dans: If you want me to continue supporting the Bill, do not make me listen to that sort of tripe.

THE HON. N. E. BAXTER (Central) [8.09 p.m.]: I would like to join with the other speakers and say that I support the legislation whole-heartedly. The passing of this Bill by the Houses of the Parliament will be a milestone in the history of Western Australia, and particularly in its industrial history. It will be a huge project involving about $4 000 million.

I notice that the State Energy Commission will be responsible for the pipeline from Dampier to the metropolitan area. Earlier this year it was estimated that the pipeline will cost in the vicinity of $450 million. The money will be borrowed overseas. I notice this evening's edition of the *Daily News* refers to the approval for the borrowing of this amount plus other moneys for other projects.

I was rather interested in an early part of the Bill to which Mr Tozer referred. The joint venturers are to continue their studies into the economic viability of the overall project and they are to endeavour to complete those studies by the 30th November, 1979, and to advise the Minister by the 11th December, 1979, or such later date as the Minister and the joint venturers may agree upon, whether they intend to proceed. This seems to be a very short period in a project of this nature, but as the technical and economical studies commenced some time ago, it may be possible to meet the deadlines.

I notice also that the joint venturers, within six months, or an extended period as agreed to by the Minister, must supply plans and specifications of the location, area, lay-out, design, quantities, materials, time programme, and phasing for the provision of the following matters—

(a) the treatment plant;
(b) roads;
(c) port facilities .having regard to the overall development of the port of Dampier;
(d) water supply;
(e) housing and township requirements including social and engineering services;
(f) power supply;
(g) any leases, licences, easements or other tenures of land required from the State;
(h) airport and heliport;
(i) any other works services or facilities desired by the Joint Venturers; and
(j) an environmental management programme as to measures to be taken, in respect of the Joint Venturers' activities under this Agreement, for the protection and management of the environment.

That is no small task to complete in six months. Of course, there is the possibility that the Minister will see fit to extend the time. It may be that many of the investigations have been completed to date.

Royalties are not covered in the agreement. Naturally royalties are difficult to estimate at the present time although we know that 40 per cent of the royalties will go the Commonwealth, and 60 per cent to the State. Perhaps the officers of the department and the Minister responsible for the legislation have an idea of the amount of gas that will be supplied by the joint venturers.

This project will not benefit directly most of our country areas, but certainly it will have many benefits to the metropolitan area. The bauxite industry will benefit, and there will be an indirect spin-off to country areas. Eventually all the State will benefit; indeed, I believe Western Australia

will become the leading State in the Commonwealth.

THE HON. NEIL McNEILL (Lower West) [8.14 p.m.]: This legislation has enormous ramifications for Western Australia. The North-West Shelf gas development is a tremendous project. It would be quite futile for me to attempt to give an analysis or precis of all the details involved in the agreement. Because this project has been so long in preparation, people in Western Australia and, I suppose, to a certain extent, the people of Australia generally, have become somewhat impatient for the project to reach the legislative stage. It must be recognised this Bill is not the final go-ahead for the project. In essence, it amounts to a commitment between the Government and the joint venturers in relation to onshore work. However, there is no reason to believe the project will not proceed beyond this stage, to the point where offshore development takes place.

I acknowledge that after all these years, the project seems to be firmly established. It will bring benefits to Western Australia the like of which most Australians have never seen before. It can be compared with some of the other mighty projects we have seen in Western Australia. However, by virtue of the build-up in anticipation, and because it deals with an energy source, it outshines all previous projects in projected importance. In fact, it has attracted the interest of the entire world.

When I was in Canada in 1977 I recall seeing the energy project at James Bay, in the Hudson Bay area. It is one of the most enormous energy projects in the entire world, surpassing even the North-West Shelf project in terms of capital expenditure.

I wish to refer particularly to the effect the project will have in my province, and in the south-west of our State generally. True, we have already received many benefits in the way of mining and resource projects. More particularly, we have been able to share the availability of gas for industry; the extension of the gas line to the area some years ago has been a boon to certain local industries in my province. The North-West Shelf gas project will take up the slack in supply which will occur in the near future, and all local industry will be able to be supplied. So, this development will be of tremendous benefit to the south-west generally.

In addition, there will be a whole range of indirect benefits which none of us can properly anticipate. All we can do at this stage is try to cast our minds forward to what we hope will be the eventual benefits of the scheme.

I refer particularly here to the benefits which surely must accrue to the Jervoise Bay area in Cockburn Sound. This area has been the subject of debate recently, with particular emphasis on the environment. Portion of Jervoise Bay has been set aside for ancillary works, vital to the North-West Shelf project. One of the most important side-effects of the project will be the employment of between 650 and 850 people during the construction stage. This will be to the very great benefit of the Kwinana industrial area. This additional employment will not be drawn necessarily from my province; I am sure a great many people, including skilled tradesmen, will come from other areas.

The Government must recognise—as Mr Tozer recognised during his address—that with this additional employment will come a demand for skilled tradesmen. As members know, we are not oversupplied with skilled tradesmen. Considerable pressures will result unless early action is taken to ensure the requirements for skilled tradesmen will be met.

The Leader of the Opposition referred to the anticipated construction on the Jervoise Bay site of the platform jackets. We now know that for technical and other reasons, these jackets will not be constructed in Jervoise Bay. However, I understand Jervoise Bay will still be the site for the construction of the platform modules next year. Initially, 10 modules will be required. In addition, fabrication will also commence next year on platform foundations and conductor pilings.

I am advised that something like $160 million to $180 million in economic activity will be generated locally. Much of that money will be spent in industries on the Kwinana strip.

I have a particular interest in the Kwinana area, despite the fact it is not in my electorate. Part of my province is the dormitory or residential area servicing the industrial strip, and any increased activity in the Cockburn area must of necessity be reflected, firstly, in the immediate surrounding area—which is my province—secondly, in the rest of the metropolitan area, and, finally, in the remainder of the State.

The whole question of the use of Jervoise Bay for industrial and fabrication purposes is of keen interest to people concerned with environmental matters. I quote now from the Environmental Protection Authority and Conservation and Environment Council annual reports for 1978-79.

In his foreword, the Chairman of the Environmental Protection Authority (Mr Colin Porter) stated as follows—

> It was refreshing, therefore, to find the State Energy Commission tackling selecting the route for the Dampier to Perth natural gas pipeline on primarily environmental grounds, given that economic and engineering differences between the various routes were marginal.

The EPA acknowledges the work of the Government and its agencies in establishing these facilities, having proper regard to the environment. Mr Porter went on to say—

> As we move in the second half of 1979 the Authority believes the year ahead offers even greater challenges with vital decisions to be made on the North-West Shelf natural gas development, which may well trigger the revival in industrial development for which Western Australia has been waiting.

I should like members to take special notice of those last words. It is not the Government, the Minister for Industrial Development, the Premier, or others who so frequently are accused of having a vested interest in development for development's sake who are making that statement; it is the Chairman of the EPA. Mr Porter concluded as follows—

> The EPA stands ready to ensure for the community a quality of life in terms of the natural environment which matches the benefits which are expected to flow from renewed economic growth.

That is an admirable attitude on the part of the EPA. Clearly, the EPA, which has a vested interest in maintaining our environment, recognises the necessity for a sensible balance of ecology and development.

If I may sound just one slightly discordant note, it is that I am disturbed to read an article in *The Sound Advertiser*, a local newspaper. Under the heading, "Platform Sites—Barnett hits out at Government", the article discusses the remarks of the MLA for Rockingham concerning the EPA report to which I have just referred. I have the greatest difficulty in not regarding these sorts of comments as anything but mischievous; in my view, Mr Barnett exercised an excess of political licence.

The article reads as follows—

> But Mr Barnett severely criticised the State Government for what he claimed was holding back a report which did not concur with Government policy for the area.

We assume he is referring to that conservation report to which I have just referred. To continue—

> Mr Barnett said: "The report was compiled by the EPA for June of this year but not made public until it was tabled in the Parliament last week.
>
> "During the five-month time-lapse the Government has forced through the Parliament legislation to annex an 'A' class reserve on the foreshore of Mangles Bay and turn it over to industrial development in direct contrast to the spirit of the EPA report."

I would have thought that Mr Barnett, even with his somewhat limited experience of having once been the so-called shadow Minister for Conservation and the Environment for the ALP, would do his homework a little better and choose other words if he wanted to be critical, because the EPA report begins as follows—

> To the Hon. R. J. O'Connor, M.L.A., Minister for Conservation and the Environment.
>
> In accordance with Section 32 of the Environmental Protection Act, I have the honour to submit the Annual Report of the Authority's activities for the year ended 30th June, 1979.

Section 32 of the Environmental Protection Act No. 63 of 1971, which was introduced by the Tonkin Labor Government, reads as follows—

> 32. The Authority shall as soon as practicable after the thirtieth day of June in each year make to the Minister a report of the proceedings of the Authority during the year ending on that day, and the Minister shall cause the report to be laid before each House of Parliament within nine sitting days of the House after the receipt of the report by the Minister.

That suggests the statutory requirement is such that there is no opportunity for a deliberate delay in making public that report. The report has been tabled in the Parliament so it has been tabled fairly promptly. We have already had it for a week or two. We know that in some cases it is up to 12 months before such reports from other bodies are finally tabled. There was no real delay or hold-up on the part of the Government and, in any case, there is a statutory requirement on the Minister to table the report within nine days of its receipt.

The Act to which I am referring replaced an Act introduced by the Brand Ministry in 1970. A

similar provision was contained in that Act in section 24 which reads as follows—

> 24. (1) The Council shall in the month of July in each year or as soon thereafter as is practicable, prepare and furnish to the Minister a report on its operations and proceedings during the year ending on the last preceding thirtieth day of June.

The same requirement is contained in section 24(2) of that 1970 Act and reads—

> (2) The Minister shall cause the report of the Council to be laid before each House of Parliament within nine sitting days of that House after its receipt by the Minister.

The Labor legislation is very similar to the previous Liberal legislation.

So Mr Barnett's comments are political licence. They were somewhat mischievous and I see little point in his making them other than for the purpose of maligning the full impact of the North-West Shelf development and presenting arguments as to why Jervoise Bay should not be used.

The fact is, we know the EPA has made a study of the Jervoise Bay area. Presumably it has made its report, although I have not seen it. Nevertheless, it was the subject of an MRPA amendment tabled in Parliament. The amendment was not seriously challenged, although the Opposition did oppose the Bill dealing with it. I am not critical of the Opposition for that.

I take exception to the fact that the people in the Kwinana and Rockingham areas, who surely must be anxiously awaiting this development, should be subjected to this sort of Press statement which was undoubtedly an endeavour to mislead them.

The Hon. D. K. Dans: What paper was this?

The Hon. NEIL McNEILL: It is today's issue of *The Sound Advertiser.*

The Hon. D. K. Dans: A throw-away paper.

The Hon. NEIL McNEILL: Yes. I am not sure why that expression is used, except that the paper may be thrown onto front lawns.

The Hon. D. K. Dans: In other words, you do not have to pay for it.

The Hon. NEIL McNEILL: No. I am sure Mr Dans knows it has one of the widest and most effective circulations of any paper. It has a considerable penetration throughout the area, and is one of the most profitable of the independent newspapers. It is certainly a newspaper of which considerable notice is taken by people in the area, and this is what concerns me. I am not being critical of the paper itself, but of its report of Mr Barnett's comments.

Assuming the report was correct, Mr Barnett's comments surely must have been intended to misconstrue the public on the intentions and integrity of the Government in relation to the EPA report. As a former ALP shadow Minister for Conservation and the Environment, Mr Barnett should have been aware of the content of section 32 of the Act. I believe he has committed a disservice to the people of the area he represents.

I return now to the overall question of development arising out of the North-West Shelf gas project. It would be almost impossible to say that whatever happens now will be as a consequence of this project. It cannot help but be very closely related to so many other developments to which reference has already been made, such as the Worsley and Wagerup projects.

Should I at any time be accused of unduly favouring developments because they are big business, I make it clear I favour them for one reason, and one reason alone; that is, because of the benefits they bring to thousands of people and to the hundreds of small businesses which will derive business from these developments. Following the development in the Pilbara there will be an increase in activity for small businesses in the metropolitan area. An admixture of hundreds of small businesses will gain a real benefit. I have seen this in my own town and my own area. A number of good small businesses employing perhaps five, 15, 100, or even 180 people are able to gain a tremendous benefit. It is not just the people employed, but their families who will benefit as a consequence of this development.

This is the end to which we should all look forward with eager anticipation. If the development brings difficulties and problems, surely we can overcome them. They will represent challenges which need to be overcome.

I believe we should all go along with the words contained in the EPA report to which I have referred, and I shall quote the final sentence of the foreword as follows—

> The EPA stands ready to ensure for the community a quality of life in terms of the natural environment which matches the benefits which are expected to flow from renewed economic growth.

I would like to think we can all share that particular sentiment. I support the Bill.

THE HON. R. HETHERINGTON (East Metropolitan) [8.42 p.m.]: It is time I got up and reiterated the words of my leader that essentially and necessarily the North-West Shelf project is a consensus project. Without political consensus in this country and in this State, it could not have got off the ground. It has been supported by the Federal spokesman for the ALP and by the party here in this State. We do support this Bill.

Bearing this in mind and the fact that consensus is so important, and the general climate is so important, there seems to be agreement on this Bill; but I am a little at a loss to understand the petulant outburst of confrontationist shadow boxing Mr Ferry engaged in earlier.

The Hon. V. J. Ferry: It was not shadow boxing.

The Hon. D. K. Dans: It was tripe.

The Hon. R. HETHERINGTON: It sounded like tripe to me. I fail to see why, if the Labor Party showed concern for the south-west in 1971 and has consistently shown concern for the south-west, this indicates some sort of jealousy about the North-West Shelf. We have always been anxious that the project get off the ground.

I remember looking forward to this day back in 1977 when I first came into this House. In a speech I made I said we should start training people so that we had our own skilled workers available when the project got off the ground. I fear we have not done that; we do not have sufficient numbers of skilled workers. Even so, the benefits from this project will be immense. It will be a great boost to our economy.

I have noted there has been some criticism of the project by some environmentalists. I do not regard that as anything but honest concern; but I think they are mistaken. The fact they have said what they have has helped us all to re-examine the project and our own attitudes and arguments and to refine them and make them firmer.

For this reason, and because I am a democrat, I value those kinds of criticisms. There has been a certain amount of overreaction to some of them and I do not know why some members are on the defensive so much because it is a good project, it is a necessary project. The Opposition is supporting it and I do think it is one of the many occasions where on a major project we can all get to our feet in this House and say we are supporting it.

We should pass the second reading and get on with the Bill.

THE HON. I. G. PRATT (Lower West) [8.46 p.m.]: I welcome this Bill and members who heard my speech on the Jervoise Bay legislation will recall that I was in favour of it and had much to say on it.

I supported that legislation which was to allow the North-West Shelf gas development to go ahead and create employment for people in the electorate I represent and others nearby. At least we have come to the fulfilment of that promise with the signing of the document.

As we heard from the Minister's second reading speech and from others, this will create tremendous bursts in the population in the northern part of the State, temporarily and permanently. This, of course, must be a tremendous advantage to the southern areas of the State, particularly those areas with low employment, such as Rockingham and Kwinana. People will be drawn from the south of the State to fill the positions created in the north and there will be a tremendous spin-off for the people in the south of the State.

We have been told the project will be split into four sections: the production wells for bore platforms, the construction of the submarine pipeline, the construction of the gas processing and export facilities at Withnell Bay, and the construction of the onshore natural gas pipeline. These four components will make one tremendous project.

I am very pleased to hear that 60 per cent of the royalties from the venture will come to the State—to the Consolidated Revenue Fund. It will be at a time when States are facing financial difficulties and it is extremely gratifying to know that a project of this size is coming into operation and that money will be flowing to our State Treasury.

The construction cost of the SEC pipeline alone, on the January figures, was estimated at $450 million. That will represent a great deal of material, and labour and create great prosperity for our State.

Mr Ferry referred to the amount of 8.5 million cubic metres of gas which will be transported to the south-west. This again will create employment and prosperity within the State. Strenuous efforts will continue to be made to maximise the local participation in the development and it is considered that $1 400 million of direct and associated expenditure will flow from this project into Western Australian and Australian industry. That is a tremendous amount of money. It will provide many jobs and again, great prosperity for this State.

The Minister mentioned in his speech two massive jackets for the actual well boring

structures on which are to be placed the platforms which are to be produced overseas. These will weigh 50 000 tonnes each. They are tremendous structures and the building of them is beyond the capacity of Western Australia. There has never been any secret about that fact and recently it was announced in the Press that tenders were being called overseas for the construction of these jackets.

I would like to make brief mention to what I regard as quite a good speech made by the honourable Bob Hetherington. He said, though I am not quoting his words, that as the people in this State are looking forward to and need this development, it is a pity we all cannot accept it. We refer to a consensus. I would be very grateful if that were the situation which existed; however it is not. The honourable member mentioned that some of his own members did not agree with him. I find that disastrous.

The Hon. R. Hetherington: Why don't you quote me properly? I was referring to the environmentalists.

The Hon. I. G. PRATT: I said they were not the member's exact words; they were the sentiments expressed. If the honourable member wishes to say his members are not environmentalists I accept that as the spirit of what he said.

The Hon. R. Hetherington: Do not accept anything as the spirit of what I said. You cannot get anything right.

The Hon. I. G. PRATT: The honourable member has very good reason to be touchy—

The Hon. R. Hetherington: Why don't you get it right. Make your own speech and let me make my own.

The Hon. I. G. PRATT: This gentleman when making his own speech thinks he is untouchable if anyone else is willing or anxious to make comments, but when other people are speaking he interjects on them. He sets himself up as someone special. However, let us get away from him. I will pay him no more compliments, I will not find that a hardship.

We will return to the member's colleagues. I think it is a most unhappy state of affairs that they have put themselves in a situation whereby they oppose this project. Mr Neil McNeill, my colleague in the Lower West Province has already mentioned this though he has been much kinder than I intend to be.

I will not quote the Hon. Bob Hetherington but I will direct anyone interested to read *Hansard* and his speech.

I wish to direct the attention of this Chamber and the people of the electorate of Rockingham to a matter which was raised in *The Sound Advertiser* on Wednesday, the 5th December. The Rockingham MLA, Mike Barnett, was quoted under the heading, "Barnett hits out at Government". Firstly I would like to congratulate the editor, Mr Bill Barrett, for the equality of coverage that he gave on the front page of that paper. It tells a very good story. Under the heading, "Sound jobs in NW gas boom", are comments by the Hon. Neil McNeill. These are the two headlines on the front page.

However, Mr Barnett claimed that an area had been taken by the Government—a recreational area—to build the platform jackets for the North-West Shelf project. That has never been claimed. That statement is completely untrue. I have checked with the Minister concerned and have had it confirmed that this has never been the reason. However one does not have to look very far to see why Mr Barnett has made this statement.

The Hon. D. K. Dans: Why don't you answer him in the Press; he is not here to defend himself.

The Hon. I. G. PRATT: If Mr Barnett makes a statement he has to stand up to it.

The Hon. D. K. Dans: I support him because I am the official spokesman for my party in this House.

The Hon. I. G. PRATT: I happen to be one of the two people in this House who represents that area and this statement was made in a newspaper which is circulated in that area. If a member does not wish to be quoted he should not put his name to a newspaper article.

Mr Barnett said that in the last two weeks it had "become common knowledge"; when in fact it has always been known and also stated that we do not have the expertise for building these huge constructions. The facilities do not exist here and they will have to be built elsewhere. It is reported in this newspaper as though some rumour has leaked out. There was a statement in the Press that tenders were being called for; there was no secrecy about it all. They are the hard, cold facts of the matter; they are the truth and why should a member make it seem something else?

One would have thought that a project of this nature which will provide tremendous opportunities for employment for the people of the area who are represented in this Parliament by one MLA and two MLCs would have received their unanimous support.

The Hon. D. K. Dans: If he is saying those things, I have no doubt the people of Rockingham will deal with him at the next election.

The Hon. I. G. PRATT: I have no doubt of it and I will do everything in my power to help them do it because I would like to see employment and prosperity in my area. I do not like people to be out of work, but I do not resort to crocodile tears; I try to do something about the situation. I definitely do not oppose ventures which will give some assistance by way of employment.

The Hon. D. K. Dans: This is an amusing debate and one which has taken a turn which is quite out of order under Standing Orders.

The Hon. I. G. PRATT: Mr Dans can do whatever he thinks fit and no doubt I will be dealt with under Standing Orders if I am out of order.

The opposition to this project which depends largely on the Jervoise Bay development supposedly has been on environmental grounds. When we were discussing the Jervoise Bay project it was pointed out quite clearly that anything that needed to be done to make that environmentally safe would be done. That was the assurance given by the Government.

What more could we ask for than that? The construction of the top side modules and other major components of the platforms will be constructed at Jervoise Bay.

The Hon. D. K. Dans: If you read my speech you will find it is already there.

The Hon. I. G. PRATT: Mr Dans has said it once and I do not need him to put it into my speech. A figure of $170 million of economic industry will result from the activities there.

The Hon. D. K. Dans: I do not know how Mr Barnett—

The Hon. I. G. PRATT: I will mention that in a minute. There will be 650 new construction jobs initially, rising to more than 1 200 over a period as activity builds up. That, coupled with the demand which can be created by the north-west development itself, will go a long way towards solving the problems of unemployment in that part of my electorate, and in fact will put pressure on the State to provide the work force required, particularly the skilled work force.

As we know, the State Government is involving itself in a $3 million training scheme, in which we wish to train 1 100 skilled workers for the project. I hope this scheme proceeds as we have planned. I hope the Australian Labor Party will come out with a statement in favour of it. I have no doubt it agrees with it but I do not think it has made a statement associating itself with the project.

The Hon. D. K. Dans: I think you will find the leader has. He did not make it in an obscure newspaper; he made it in a national paper.

The Hon. I. G. PRATT: As of about three-quarters of an hour ago, no statement had been made. I also look forward to support from the trade union movement—

The Hon. R. Hetherington: What about the statement made in this House?

The Hon. I. G. PRATT: —which will be very necessary if the training programme is to succeed. It must succeed. If it does not, we will have to bring people from other States or overseas to fill these positions, or send work to be done overseas; and that would be a tragedy when we have unemployment and need to provide jobs and training for the people of Western Australian. If Mr Dans claims his leader has made a statement associating the ALP with this training scheme, I welcome it, as I will welcome such a statement from the trade union movement.

The Hon. D. K. Dans: That is up to them, not to us.

The Hon. I. G. PRATT: I said I would welcome it. It is not up to me or to the Leader of the Opposition to decide whether such a statement is made, but I am sure Mr Dans, too, would welcome it.

The infrastructure of the project again will create wealth and employment to an amount of $110 million. On page 5 of tonight's *Daily News* we see it is one of the projects included in the $100 million borrowing power plan for State Governments. Services such as water, roads, and airport facilities for the North-West Shelf project will again create prosperity and employment. I believe in creating employment.

As the Hon. Neil McNeill said, the project will provide tremendous opportunities for small businesses and small contractors, about whom we have seen a great deal in the Press lately. In many of the things we have read in the Press the basic fact has not been faced up to; that is, that small manufacturing and subcontracting firms can exist only if somebody wants what they offer in goods and services. If nobody wants their goods and services or nobody has money to pay for them, all the activities of all the Governments in the world will not improve their situation.

The only way we can improve their situation is by providing prosperity on which they can live. This agreement offers the greatest hope small businesses could wish for because it will provide prosperity on which they can live. It will provide people who want to use their services and people

who have money to buy their goods. That is what recovery and prosperity are all about.

I have covered what I wished to say. It is with great pleasure that I support the Bill.

THE HON. I. G. MEDCALF (Metropolitan—Attorney General) [9.05 p.m.]: I thank members for their support of the Bill. I cannot say they have all exactly expressed their support in a united way. Nevertheless, in various ways they have indicated they are in favour of the Bill, and that is a great consolation to the Government which has worked long and hard in order to bring it about.

I believe I should comment on one or two matters which were raised by the Leader of the Opposition. He referred to the desirability of attracting Australian capital to run this venture. The Government would have been delighted to get Australian capital, but it is just not possible to get that kind of money in Australia. It is a hard fact but it is true that we cannot get this money from Australian investors. It is easy enough to say all the little people will get their savings together and put them into the venture, but when the time comes that has not been the experience to date in any other venture.

It is true this one has captured and will continue to capture the imagination of the people, not only in Western Australia but in the whole of Australia, I believe, in spite of the jealousies which still occur between States; but it does not alter the fact that it is a different matter to get those people to sit down and write out a cheque or go to the bank and draw out their savings to put into a venture of this kind.

On advice and experience, the Government does not believe it would have received locally anything like the money required for this project. If it is forthcoming, people will have an opportunity to invest in some of the companies which are on Australian registers, but that remains to be seen. In any event, we welcome the fact that we have been able to attract people who are prepared to take the risks involved in this vast and very risky venture. The time it has taken to get off the ground is an indication of the risks involved.

The Leader of the Opposition referred to one or two clauses of the agreement, and I take his point that it is probably better not to make this a Committee Bill, but to deal with it in the second reading debate. He referred to clause 12 and the use of local resources. I remind the House of the contents of clause 12, which he quoted. It says that when calling for tenders, preparing specifications, and letting contracts for works, materials, plant, equipment, and supplies the joint venturers shall ensure that Western Australian suppliers, manufacturers, and contractors are given reasonable opportunity to tender or quote. I believe that is all that could be said in the circumstances. We could not obtain anything better than that.

This is a commercial venture. It is a hard venture which has been negotiated in a tough way by tough negotiators—not only the companies concerned but also the State negotiators have, I believe, been as tough as any. They have had to be because they were in a tough field. I understand that is the best they could get.

This kind of clause does not appear in other contracts, but the Government has been aiming for some time for an input in the document which will give Western Australian contractors and manufacturers an opportunity to get into these deals.

The Leader of the Opposition referred to paragraph (d) of clause 12, which says "give proper consideration and where possible preference to Western Australian suppliers". It is not possible to express it in a more positive form. It would be nice to give complete preference but it is not possible in a commercial sense to get better than that.

I remind the Leader of the Opposition that there are other items in this clause to which he did not refer. Subclause (2) refers to the third parties being required to do the same.

The Hon. D. K. Dans: I read that but I did not make an issue of it.

The Hon. I. G. MEDCALF: I think it is important that the third parties, when calling for tenders and specifications, do so in the same way as the joint venturers must; and the joint venturers, under subclause (3) have to submit reports concerning their implementation of this clause. They must also supply information about the third parties and what they are doing about it.

This is the first time such a clause has appeared in any development agreement. I believe it is quite a signal event that such a clause has been found acceptable and that the Government has insisted upon it. It is very difficult to persuade these people that they must deal with Western Australians. They have their own arrangements in their own parts of the world. Even those from Victoria have their own people, and this relates to Western Australians, not Victorians or anybody else. It draws together as much preference as possible, in a commercial sense, to our local people. It is an important clause.

The Leader of the Opposition referred to his desire, which I am sure we all share, that all parts of the field be developed—the Angel, Goodwyn, Eaglehawk, and various sands—and I think it is very desirable. Here again we are dealing with a commercial proposition. We had to persuade these people to become involved in this exercise. On the other hand, we had to get the best terms we could; and clearly, in the beginning they will treat it as a commercial proposition. The facts of commercial life will force them to explore and exploit the other sands, apart from those on which they are starting.

So the whole of this area must eventually come under the development arrangements. The fact that they start off with one does not preclude their moving to another. In fact, the world market, commerce, and the general world situation and demand for energy will force them into the development of the whole area sooner or later, but obviously they must start in one place.

I do not think it is necessary for me to comment on the remarks made by the Hamersley spokesman whom the honourable member mentioned. People say these things sometimes, perhaps to boost a particular line they may be taking.

The Hon. D. K. Dans: That is why I put it on record.

The Hon. I. G. MEDCALF: There are two aspects to the question of royalties, which was mentioned by Mr Baxter. One is the confidential aspect—the fact that we cannot really disclose the private arrangements which are made in a commercial sense, certainly not at this stage of the proceedings. Apart from that, and on the basis that they are ultimately available for public consumption one way or another, we must appreciate that we are dealing with the off shore area. Therefore it is not only a State matter, it is also a Commonwealth matter. The rate of royalty, which at the moment is expressed as 10c, is bound to vary, and it will have to be discussed between the Commonwealth and the State under the 1967 petroleum legislation, which still applies in that area. When it is replaced in due course, it will still be necessary to fix the royalty by agreement between the Commonwealth and the State. Those royalties have yet to be fixed as a result of discussions between the two Governments.

In regard to the final point he made about monitoring the labour situation, this is a matter which has been examined already, and the Government is well aware of the need to ensure that people who are employed at different stages of the enterprise are not simply discarded. Already elaborate studies have been made of the expected numbers and composition of the work force which will be required. I would draw attention to one aspect which perhaps might be overlooked: We are bound to attract from other areas many people who will come here for a particular job, and then leave the area. This has been the experience in respect of other developments, and particularly in relation to pipelines.

The Hon. D. K. Dans: A great number of them will remain in the State.

The Hon. I. G. MEDCALF: Well, good luck to them.

The Hon. J. C. Tozer: And to us, too.

The Hon. I. G. MEDCALF: The Government is certainly aware of this. I would point out that the experience of the past is that we get many people who migrate temporarily from the Eastern States and New Zealand, and who then go away when the work is finished.

The Hon. D. K. Dans: There is a group of people who follow construction work all the time.

The Hon. I. G. MEDCALF: The point made is one of which the Government is well seised. It has made many studies of this matter, and the situation will be monitored carefully so as to avoid the dislocation which occurs when one section phases out and another is not available at the right time.

I appreciate the support given to the Bill by all members. It is necessary to repeat that developments like this do not just happen; they do not come out of the blue. A tremendous amount of work has been done in connection with the North-West Shelf gas project over many years, ever since the breakthrough when the discovery was made in 1971 and it was established that the North Rankin, the Goodwyn, and the Angel fields were so extensive. A tremendous amount of work has been done on what is perhaps the greatest industrial developmental conception in the history of Western Australia. We are on the threshold of a momentous development; one of the greatest in the history of the State. I believe we are on the threshold of a momentous era, and this has been recognised in the comments made by many of the members who have spoken today.

I believe we can be far more optimistic about the future of Western Australia in terms of results within our State, than even the forecast based only on the very conservative figures which have been put before the House.

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.

Third Reading

Bill read a third time, on motion by the Hon. I. G. Medcalf (Attorney General), and passed.

LOAN BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by the Hon. G. C. MacKinnon (Leader of the House), read a first time.

Second Reading

THE HON. G. C. MacKINNON (South-West —Leader of the House) [9.22 p.m.]: I move—

That the Bill be now read a second time.

Each year authority is sought through a measure of this nature for the raising of loans to finance certain works and services detailed in the estimates of expenditure from the General Loan Fund.

The Bill seeks to provide authority for the raising of loans not exceeding $85.9 million for the purposes listed in the first schedule.

It should be noted that the borrowing authority being sought for each of the several works and services listed in the schedule will not necessarily coincide with the estimated expenditure on that item during the current fiancial year.

In determining the loan authorisation requirement, account has been taken of the unused balance of previous Loan Act authorisations and of the need to provide sufficient new borrowing authority to enable works of a continuing nature to be carried on for a period of about six months after the close of the financial year.

This is in accordance with the usual practice and ensures continuity of works in progress pending the passage of next year's Loan Bill.

Details of the conditions of the various loan authorities are set out on pages 42 to 45 of the Loan Estimates. Those pages also provide information relating to the appropriation of loan repayments received in 1978-79; the allocation of Commonwealth general purpose capital grants; and the distribution of $25.5 million transferred from earnings on the investment of cash balances to the 30th June, 1979.

The main purpose of this Bill is to provide the necessary authority to raise loans to help finance the State's capital works programme.

The required borrowings will be undertaken by the Commonwealth Government, which acts on behalf of all States in arranging new borrowings, conversions, renewals, and redemptions of existing loans.

The Commonwealth Government exercises this function under the terms of the 1927 financial agreement and within the total borrowing programme for all Governments determined by the Australian Loan Council. The Loan Council also prescribes the terms and conditions of each loan.

Under a long-standing arrangement, the Commonwealth will subscribe, from its own resources, any shortfall to complete the financing of the overall borrowing programme of the States. In addition, it provides a proportion of the total programme for State Governments agreed to by the Loan Council in the form of a capital grant.

The capital grant now constitutes one-third of each State's total programme and is intended to assist in financing capital works such as schools, police buildings, and similar institutions from which debt charges are not normally recoverable.

The Loan Council, at its June, 1979 meeting, approved a total State Government programme for 1979-80 of $1 245 million. Of this amount two-thirds, or $830 million, will comprise borrowings and one-third, or $415 million, will be provided as an interest-free capital grant to the States.

The Western Australian Government's borrowing allocation for the current financial year is $76.8 million and our capital grant is $38.4 million. This represents a reduction of 13.2 per cent on the 1978-79 allocation which, in turn, was held at the same level as in 1977-78. Mention has previously been made of the impact this severe reduction in real terms has had on the State's works programme.

As already indicated, the responsibility for new borrowings rests largely with the Commonwealth Government. In those years when the amount raised on the Australian and overseas markets has been insufficient to finance the States' programmes, the Commonwealth has made up the shortfall.

It does so by subscribing the required amount to a special loan from its own resources. These special loans carry terms and conditions similar to those offered in the previous public loan raised in Australia and the proceeds are allocated to the States as part of their normal borrowing parcel.

As a point of interest, the Federal Government has provided almost $443 million from its Consolidated Revenue Fund in the last two financial years to meet such shortfalls. In view of the current situation in the money market it is likely that further support will have to be provided in 1979-80.

In times of tight liquidity, this underwriting arrangement has proven to be of great practical benefit to the States to the extent that it enables us to proceed with planned works programmes each year, secure in the knowledge that the full Loan Council allocation will be forthcoming. It is most unfortunate that a similar undertaking is not provided by the Commonwealth in relation to the borrowing programmes of the larger semi-governmental and local government authorities.

Under a "gentlemen's agreement", originating in 1936, the Australian Loan Council also approves an aggregate annual borrowing programme for those larger authorities wishing to raise in excess of $1.2 million in new borrowing during the financial year. The limit was raised from $1 million at the June, 1979 Loan Council meeting.

The Loan Council has approved a borrowing programme for larger State authorities of $1 301.6 million in 1979-80. Of this amount, Western Australia has been allocated $108.7 million.

The basic programme remains at the same level as in 1978-79—namely, $75 million—but is supplemented by temporary additions totalling $33.6 million for the following purposes—

> $1 million to meet outstanding commitments on the Kwinana power station conversion;
>
> $15 million for further electric power development at Muja; and
>
> $17.6 million for rehabilitation and upgrading of the railway between Kwinana and Koolyanobbing.

A further $4.5 million will be available to the State Energy Commission in 1979-80, under the special programme of borrowing for infrastructure specifically for the Pilbara electricity grid scheme. This is the first of increasing amounts that will be borrowed in subsequent years for projects approved under this programme.

Details of the borrowing programmes of larger authorities in 1979-80, including infrastructure borrowings, are set out on page 46 of the Loan Estimates.

Borrowings by authorities seeking less than $1.2 million are not restricted to an overall limit, although they are subject to the terms and conditions applying under the "gentlemen's agreement". The borrowing programmes for State authorities in this category are detailed on page 47 of the Loan Estimates.

It is evident that both larger and smaller authorities will experience difficulty in filling their loan programmes this year.

The demand for capital funds by authorities in all States has created a very tight market situation and competition amongst borrowers is extremely keen.

This situation has arisen not only as a result of the growing needs of State authorities, but also as a result of the entry of several Commonwealth authorities into the limited domestic capital market.

With all authorities being subject to identical terms and conditions as set by Loan Council, there is little room for manoeuvering and the smaller States such as Western Australia could find themsleves at the end of the line when it comes to obtaining a share of available loan funds. Nevertheless, every effort is being made to raise planned new borrowings and the Treasurer is confident that our programme will be achieved.

The Bill also makes provision for an appropriation from the Consolidated Revenue Fund to meet interest and sinking fund on loans raised under this and previous Loan Acts.

Authority is also sought to allow the balances of previous authorisations to be applied to other items. The second schedule sets out the amounts to be re-appropriated and the Loans Act which authorised the original appropriations. The items to which the amounts are to be applied are set out in the third schedule.

I commend the Bill to the House.

Debate adjourned, on motion by the Hon. D. K. Dans (Leader of the Opposition).

BILLS (4): RETURNED

1. Anglican Church of Australia (Swanleigh land and endowments) Bill.
2. Administration Act Amendment Bill.
3. Property Law Act Amendment Bill.
4. Companies Act Amendment Bill.

Bills returned from the Assembly without amendment.

ADJOURNMENT OF THE HOUSE

THE HON. G. C. MacKINNON (South-West —Leader of the House) [9.32 p.m.]: I move—

That the House do now adjourn.

North West Gas Development (Woodside) Agreement Bill: ALP Policy

THE HON. D. K. DANS (South Metropolitan—Leader of the Opposition) [9.33 p.m.]: I do not like to rise on the adjournment, but there were some aspects of the debate on the gas Bill tonight about which I was not very happy. Let me be quite clear for the record: the spokesman for and on behalf of the Labor Party in this place is the speaker who rises to his feet and speaks to the Bill.

We supported the Bill tonight. The people who know anything about the negotiations that have gone on in respect of the North-West Shelf development know that the main consortium managers in Australia sought the assurances of Mr Paul Keating and Mr Bill Hayden on a bi-partisan approach to this project. That assurance was obtained; and we had the agreement before us tonight.

During the course of the debate two speakers from the Government side used the debate to quote from a newspaper article which I have not seen. We acknowledge the concern of those members. The newspaper article related to a statement made by a member who was not present in the Chamber. I do not deny the right of Government members to challenge what people say; but I can recall the great horror that was expressed here on a previous occasion when a member attacked the Minister for Housing. Members on both sides of the House were somewhat horrified because the member was not here to defend himself. It is a far better proposition, if one wants to attack a member, to have one's colleagues in the Chamber where the other member sits attack that member where he is so he has the opportunity to defend himself.

Before I sit down, I wish to say I am not responsible for the statements made to newspapers by any member of my party. Furthermore, and on behalf of my party, I am certainly not responsible for what is printed in a throw-away newspaper.

I have the utmost respect for Mr Neil McNeill. I know the paper to which he referred has a certain amount of penetration; but as an individual I rarely take the time to read it. If one wants to answer the assertions in a newspaper, the right arena in which to do it is in the same paper.

It was disheartening tonight to gain the impression that there was introduced into the debate the thought that the Labor Party was not sincere in its support for the North-West Shelf gas project. That is the real point I want to make.

I can assure the House that unless that project had received the unanimous support of the Labor Party, at the State and national levels, we probably would not have been discussing the agreement tonight, for the very reasons I explained when I rose to speak on the second reading.

It is is distressing that the member who was attacked has not had the opportunity to answer the allegations that were made, be they right or be they wrong. I have no doubt there are members on the Government side in another place who will take every opportunity they can to correct something if it is wrong. I did not regard Jervoise Bay as a part of the debate. I was not here when the Bill in relation to Jervoise Bay was debated, but I know we were opposed to the taking of the "A"-class reserve, simply because it was an "A"-class reserve. However, that moment has passed.

Our proposition was that the development should take place in the area where the rig *Ocean Endeavour* was built.

The Hon Neil McNeill: You do appreciate I made no assertion that the Labor Party was opposing this Bill?

The Hon. D. K. DANS: I think Mr McNeill read into my comments that I said that. I have the utmost respect for him.

I want to go on record as saying that we, as the Opposition, give 100 per cent support to the North West Gas Development (Woodside) Agreement Bill.

Question put and passed.

House adjourned at 9.38 p.m.

QUESTIONS ON NOTICE

NATIONAL RURAL CONFERENCE

Cost

390. The Hon. D. K. DANS, to the Minister for Lands representing the Minister for Education:

(1) What was the cost of the recent National Rural Conference held in Perth under the auspices of the OECD/CERI (Aust.)?

(2) What contribution did the State Government make to these costs?

The Hon. D. J. WORDSWORTH replied:

(1) and (2) Final costs are not yet available since the last of the series of conferences held at Kalgoorlie, Mt. Magnet, Karratha, Port Hedland, and Derby on the 27th November.

When final details are available the member will be informed by letter.

ABORIGINAL AFFAIRS PLANNING AUTHORITY AND LANDS TRUST

Annual Report

391. The Hon. LYLA ELLIOTT, to the Minister for Lands representing the Minister for Community Welfare:

With reference to the report of the Aboriginal Affairs Planning Authority and Aboriginal Lands Trust Western Australia for year ended the 30th June, 1979, and tabled in this Chamber on the 28th November, and in view of the following—

(a) the artwork on the front cover is considered by Aboriginal people who have seen it to be an insult to them;

(b) the original photograph which was intended for this cover was apparently a beautiful colour photograph of Aboriginal children;

(c) the reports have not yet been distributed; and

(d) the Government has apparently been prepared to make generous allocations available to enable the printing of glamorous publications associated with the 150th year celebrations,

will the Minister order that the cover of this report be replaced by one more fitting and respectful to the Aboriginal people?

The Hon. D. J. WORDSWORTH replied:

The cover of the Aboriginal Affairs Planning Authority and Aboriginal Lands Trust annual report for the year ended the 30th June, 1979 was based on an attractive colour print of a group of happy, Aboriginal children. The subject was in recognition of 1979 being the International Year of the Child.

Funds for the production of the report are provided by the Commonwealth Department of Aboriginal Affairs under the terms of the Aboriginal Affairs Planning Authority Act Amendment Act, 1973. Advice received from the WA Government Printing Office indicated that a full colour cover would be uneconomic, given the limited run of 600 copies. Accordingly, the graphic designer arranged for a stylized two colour reproduction for the cover. It is unfortunate if any offence has been taken at the artistic interpretation of the original colour print. This was most certainly not the intention and the matter is surely one of individual taste. In view of the situation outlined, it is not considered the replacement of the cover is warranted.

TRAFFIC: SPEED TRAPS

Radar

392. The Hon. D. K. DANS, to the Leader of the House representing the Minister for Police and Traffic:

(1) Does the Road Traffic Authority operate radar guns from moving vehicles?

(2) If the answer to (1) is "Yes"—

(a) What areas do the Road Traffic Authority operate radar guns from moving vehicles;

(b) what are the makes and models of the radar guns being used;

(c) what frequency do the radar guns operate on;

(d) how much does each radar gun cost; and

(e) are they all in use?

The Hon. G. C. MacKINNON replied:

(1) Yes.

(2) (a) Country areas only.
(b) Make is C1 JF 100, Models 6 and 8.
(c) 10.525 giga/Hertz.
(d) $2 500.
(e) Yes.

ENERGY: GAS

North-West Shelf: Alumina Refining

393. The Hon. R. F. CLAUGHTON, to the Attorney General representing the Minister for Mines:

In assessing the amount of production from the North-West Shelf natural gas fields that should be reserved for use in Western Australia—

(1) Was consideration given to the potential energy needs arising from exploitation of Mitchell Plateau bauxite deposits?

(2) In assessing the above needs was account also taken of the potential energy demands from refining and the production of aluminium?

(3) If so, what is the amount of annual production of natural gas that would be required for the full utilisation of the Mitchell Plateau bauxite reserves?

(4) Is it a fact that the export from Alcoa's refinery plants brings in 100 times the revenue of unprocessed bauxite and aluminium exports from the same company's smelters increase by 10 times the value of alumina?

The Hon. I. G. MEDCALF replied:

(1) and (2) No specific consideration could be given, but rather a general allocation was made for future consumption of natural gas for a variety of industrial purposes. The developers of the North-West Shelf gas field were faced with a massive investment against which there was a need to match firm contracted sales of gas. This means that a viable level of production is committed to certain markets right from the outset.

In these circumstances it is not possible to provide from the initial gas field development supplies of natural gas for future major industry.

(3) Assuming a viable level of production of alumina is two million tons per annum, and the bauxite resources are adequate to satisfy a plant of that capacity then the energy needs per annum would be in the order of 600 million cubic metres per year—or about 60 million cubic feet per day.

(4) There is certainly a larger increase in value with the degree of processing. The value of bauxite exports from Australia—none is exported from Western Australia—is not available. The value of alumina is currently of the order of $160/tonne, two tonnes of which are required to produce one tonne of aluminium which has a current value of the order of $1 500/tonne.

The added value arising from such processing provides opportunities from employment and for capital, and is the basic reason for this Government's emphasis on requiring processing of resources when negotiating agreements for development of resources.

EDUCATION

Isolated Students Matriculation Scheme and Technical Extension Service

394. The Hon. R. HETHERINGTON, to the Minister for Lands representing the Minister for Education:

(1) Does the recent extension of the isolated students matriculation scheme to adults of 18 years and over duplicate work already done by the Technical Extension Service?

(2) If this is not the case, will the Minister explain what the ISMS offers that is not already available to mature age students through the TES?

(3) Does the TES prepare mature age students for tertiary admission exams as well as mature age matriculation exams?

(4) Is it intended that the ISMS will prepare students for mature age matriculation exams as well as tertiary admission exams?

The Hon. D. J. WORDSWORTH replied:

(1) Yes.

(2) Answered by (1).

(3) and (4) The TES and ISMS prepare students for tertiary admissions examinations. There are now no mature age matriculation examinations.

TRAFFIC: ROAD TRAFFIC AUTHORITY

Amphometers

395. The Hon. D. K. DANS, to the Leader of the House representing the Minister for Police and Traffic:

How many amphometers does the Road Traffic Authority operate in the State?

The Hon. G. C. MacKINNON replied:

Five.

EDUCATION: TECHNICAL COLLEGE

Carine

396. The Hon. R. HETHERINGTON, to the Minister for Lands representing the Minister for Education:

(1) What is the expected enrolment for 1980 for the Carine Technical College?

(2) What staff has been allocated to the college for 1980?

The Hon. D. J. WORDSWORTH replied:

The Minister advises that estimates are—

(1) 3 900.

(2) 33 academic staff.
16 support staff.

397. *This question was postponed.*

EDUCATION

Art and Claremont Technical College

398. The Hon. R. HETHERINGTON, to the Minister for Lands representing the Minister for Education:

(1) When is it expected that the Western Australian Post-Secondary Education Commission will present the report of the committee inquiring into art education in Western Australia?

(2) When does the Minister expect firm decisions will be made on the future of art education in Western Australia?

(3) Is the Minister able to give an assurance that it is his intention not to close Claremont Technical College in the next three years?

The Hon. D. J. WORDSWORTH replied:

(1) The Minister advises that he expects it shortly.

(2) and (3) No decisions will be made until the Government has considered the Western Australian Post-Secondary Education Commission report.

EDUCATION: FUNDS

Rural

399. The Hon. R. HETHERINGTON, to the Minister for Lands representing the Minister for Education:

(1) Was the Minister for Education correctly reported in *The West Australian* on Monday, the 3rd December, as saying that 40 per cent of Government education funds will be spent in rural areas?

(2) Can the Minister inform me what percentage of Government education funds is at present spent in rural areas?

(3) If the Minister was correctly reported, can he advise me on what basis the figure of 40 per cent was chosen?

The Hon. D. J. WORDSWORTH replied:

(1) to (3) The Minister for Education has advised as follows. Yes. Approximately 40 per cent of Government expenditure directly applicable to schools is spent in rural areas. This figure is based on expenditure in 1978-79.