On page 1099 of *Hansard* for 1949 the member for Gascoyne (The Hon. F. J. S. Wise) asked a question without notice of the Speaker as follows:—

> I wish your advice in connection with the question asked by the member for Hannans, who has been requested by the Acting Premier to place it on the notice paper, such question having already been disallowed by the Clerk Assistant, I understand under your instructions. Will you advise the member for Hannans how he can now ask the question?

If members knew the member for Hannans, they would realise why his question was not understood. The Speaker replied as follows:—

> To be quite frank, I did not hear the question as read out. I could only pick out a word here and there and was not sure whether it was the same question as that referred to me by the Clerk Assistant.

Mr. Wise interjected as follows:—

> It was the same question.

The Speaker then replied again as follows:—

> The hon. member will find the question is not allowed when it is put in to be printed.

There is a clear indication right through this Parliament that the Speaker is the right person to turn to in regard to any matter of concern in the Legislative Assembly.

I think it is true that the Speaker would agree to questions in accordance with *Erskine May*, where there is some prior consultation, and the Speaker is virtually asked privately; but how would we be in regard to matters of public interest if this practice prevailed with Ministers? They would say, "Do not ask that question," and if they did not want it asked, it would not be asked.

In none of the cases to which I have referred was the Speaker humiliated in any way or put upon by members. If a question is too difficult, or needs some research, he is in a better position than a Minister, as he can leave his Chair until the ringing of the bells, in order to study the question and give an answer if necessary. He could give his answer on a subsequent date, as other Speakers have done in the past. I think this is a desirable practice, and I can see nothing wrong with it. It has stood the test of time, and no alteration should be made in this day and age.

I thought the change in our Standing Orders caused the alteration, but having compared that particular Standing Order with the one that existed prior to the adoption of the new Standing Orders, I find there is apparently no change and, as a consequence, this change has reference only to parliamentary procedure. Therefore, I feel it is desirable that members of this House should know exactly where they stand.

If the presiding officer will confer with the presiding officer of another place, he will find that in the early part of this session, the latter has had questions on notice addressed to him in respect of matters associated with his jurisdiction. This is right and proper. We have to be in a position where we can obtain these answers.

We are a little dissociated from the House of Commons where a different situation exists. We have developed our own ways of handling things in this Parliament. Up to this time they have worked all right, and I think that position should apply in the future. I am interested to hear what other members have to say, as I know some have been quite concerned.

Debate adjourned, on motion by Mr. Brand (Premier).

House adjourned at 11.5 p.m.

Legislative Council

Thursday, the 17th April, 1969

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

QUESTIONS (7): ON NOTICE

FLOODING

East Carnarvon

1. The Hon. G. W. BERRY asked the Minister for Mines:

   (1) Was an area in East Carnarvon bounded by Finnerty Street, Gascoyne Road, and Marmion Street, under floodwaters in 1961?

   (2) Does the Public Works Department anticipate it will be covered by floodwaters in any subsequent flood?

   The Hon. A. F. GRIFFITH replied:

   (1) The major part of this land was flooded.

   (2) Yes, until such time as protecting levees are constructed.

WESTERN AUSTRALIAN BALLET COMPANY

Subsidy

2. The Hon. R. F. CLAUGHTON asked the Minister for Mines:

   (1) Is the Minister aware that the W.A. Ballet Company is at present making a tour of the northern wheatbelt, and during June will also tour the north-west?

(2) Is he also aware that the company has not enjoyed any Government subsidy, and that its 1968 north-west tour resulted in a loss of about $1,000 to the principals?

(3) Does the Government intend making some contribution to assist this company in its country tours, and, if not, will it give consideration to granting a subsidy?

The Hon. A. F. GRIFFITH replied:

(1) Yes.

(2) and (3) The W.A. Ballet Company has received grants from the Government since 1965-66 to assist it in the promotion of ballet in both metropolitan and country areas. The following grants have been paid:—

1965-66—$1,500.
1966-67—$3,700.
1967-68—$5,000.
1968-69—$6,000.

3. *This question was postponed.*

STATE HOUSING COMMISSION HOMES

Southern Cross

4. The Hon. J. J. GARRIGAN asked the Minister for Mines:

In Southern Cross—

(a) how many State Housing Commission homes were built in the year ended the 30th June, 1968;

(b) how many is it anticipated will be completed in the year ending the 30th June, 1969; and

(c) what number has been budgeted for erection during the year ending the 30th June, 1970?

The Hon. A. F. GRIFFITH replied:

(a) Three.

(b) Four.

(c) The 1969-70 programme has not yet been finalised.

ARTIFICIAL INSEMINATION

Subsidising

5. The Hon. N. McNeill asked the Minister for Mines:

What action has been taken, or is proposed to be taken, by the Government to meet the requests contained in the Second Annual Report of the Artificial Breeding Board of Western Australia, for—

(a) underwriting half the cost of semen; and

(b) a Treasury grant of $40,000 in order to maintain the economics of the board's operations?

The Hon. A. F. GRIFFITH replied:

Following discussions with the Chairman, Artificial Breeding Board, the Government made a grant of $50,000 to the board. The grant was provided to assist with the costs involved in establishing the Artificial Breeding Centre, with the initiation of the new scheme based on imported semen, and with the costs of forward buying of large quantities of semen.

There is no subsidisation of the cost of semen.

"A GUIDE TO VEGETABLE GROWING"

Reprinting of Handbook

6. The Hon. W. F. WILLESEE asked the Minister for Mines:

(1) Is the Minister for Agriculture aware that the Department of Agriculture's valuable handbook *A Guide to Vegetable Growing* is now out of print, and from inquiries made it seems that it possibly will not be available again before March, 1970?

(2) As this book, since its introduction in 1957, has been helpful to thousands of both market gardeners and home gardeners because it caters particularly for growing in Western Australia, would the Minister endeavour to have new copies available to the public as quickly as is reasonably possible, and advise if a much earlier date than March, 1970, can be arranged?

(3) If so, could he indicate such earlier forward date for publication?

The Hon. A. F. GRIFFITH replied:

(1) Yes.

(2) The production of the new edition of *A Guide to Vegetable Growing* will involve a comprehensive review of the publication by a number of sections of the Department of Agriculture, but an endeavour will be made to have the new edition available to the public as early as is reasonably possible. This could be before March, 1970.

(3) Answered by (2).

MINING

Compensation to Pastoralists

7. The Hon. G. E. D. BRAND asked the Minister for Mines:

With reference to my question on Wednesday, the 16th April, 1969, relating to mining operations in pastoral areas, I wish to advise that the word "re-establishment"

should have read "establishment," and in view of this, will the Minister please advise—

(a) is he aware that pastoralists consider that the present provisions under the Land Act and the Mining Act are considered to be most unsatisfactory and unfair; and

(b) will he give serious consideration to the establishment of a three-man tribunal to examine and determine adequate compensation for pastoralists for damage sustained, as explained in my previous question?

The Hon. A. F. GRIFFITH replied:

(a) The Pastoralists & Graziers' Association has submitted to the Lands Department for consideration a request for additional compensation for loss of improvements.

(b) It is not intended to establish a tribunal, as the Land Act provides the method to consider payment of compensation.

THE WEST AUSTRALIAN TRUSTEE EXECUTOR AND AGENCY COMPANY LIMITED ACT AMENDMENT BILL

Returned

Bill returned from the Assembly with amendments.

Assembly's Amendments: In Committee

The Chairman of Committees (The Hon. N. E. Baxter) in the Chair; The Hon. A. F. Griffith (Minister for Justice) in charge of the Bill.

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

No. 1.

Clause 1, page 1, line 9—Delete the figures "1968" and insert in lieu the figures "1969".

No. 2.

Clause 3, page 2, line 10—Delete the figures "1968" and insert in lieu the figures "1969".

The Hon. A. F. GRIFFITH: I move—

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

I feel bound to say that this procedure is becoming a little tiresome, and will continue to become tiresome, because we are doing a lot of unnecessary procedural work in merely altering an "8" to a "9." Surely this can be adjusted by a correction by the Clerk in another place similar to the procedure that is followed in this Chamber when such instances occur. I previously inquired whether something could not be done in this regard and I would like to quote what Legislative Assembly Standing Order 298 provides—

> Clerical and typographical errors may be corrected in any part of the Bill by the Chairman of Committees, before it is sent to the Council for its concurrence, and he shall initial any such correction.

On a first reading of that Standing Order, at least, it appears possible for the correction to be made. I do not want to make a big thing about this matter, but it seems to me that when we find an "8" should be a "9" we alter it.

The Hon. F. J. S. Wise: It appears pretty obvious.

The Hon. A. F. GRIFFITH: It is quite obvious, and I ask again whether the Chairman of Committees in another place could have his attention drawn to this Standing Order.

The CHAIRMAN: The Clerk has informed me that our method of attending to such corrections has been brought to the attention of the Legislative Assembly. To date, apparently, the Assembly has done nothing about it, but the Clerk of the Council will again draw the attention of the Legislative Assembly to the matter.

The Hon. A. F. GRIFFITH: I will do better than that: I will seek out the Chairman of Committees in the Legislative Assembly and advise him accordingly.

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

The Hon. A. F. GRIFFITH: I move—

That amendment No. 2 made by the Assembly be agreed to.

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

Report

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

BILLS (2): RECEIPT AND FIRST READING

1. Lake Lefroy Salt Industry Agreement Bill.
2. Alumina Refinery (Mitchell Plateau) Agreement Bill.

Bills received from the Assembly; and, on motions by The Hon. A. F. Griffith (Minister for Mines), read a first time.

MOTOR VEHICLE (THIRD PARTY INSURANCE) ACT AMENDMENT BILL (No. 2), 1969

Third Reading

Bill read a third time, on motion by The Hon. L. A. Logan (Minister for Local Government), and transmitted to the Assembly.

TOWN PLANNING AND DEVELOPMENT ACT AMENDMENT BILL

Second Reading

THE HON. L. A. LOGAN (Upper West—Minister for Town Planning) [2.52 p.m.]: I move—

That the Bill be now read a second time.

This Bill proposes a few minor amendments to the Town Planning and Development Act, 1928-1967.

Clause 1 is procedural. Clause 2 (a) provides that by the addition of certain words to paragraph (a) of subsection (1) of section 20 of the principal Act leases of land or licenses to occupy land, or both, shall be confined to 10 years, in the absence of the Town Planning Board's approval. The reason for this proposal is that it was recently decided in the High Court of Australia that, since the existing prohibition against leasing land for a term exceeding 10 years and the existing prohibition against granting a license to use unoccupied land for a period exceeding 10 years are expressed in the alternative, it is not proper to add the term of the lease to the period of occupation of the same land granted under the license. The view of the Town Planning Board is that the wording of the existing provision in the principal Act does not give expression to Parliament's general intention which was that leases or licenses, or both together, should not exceed 10 years without the approval of the Town Planning Board.

Clause 2 (b) of the Bill proposes the repeal and re-enactment of paragraph (b) of subsection (1) of section 20 of the Act to provide for a limitation to six months, or to an agreed period of the time given to a vendor to complete a subdivision; and these failing completion, to refund any money paid to him in consideration of the failed subdivision.

A recent case has shown that as it is worded at the moment the provision in the principal Act would not prevent an indefinite delay in the repayment of the money. This amendment was suggested by a member of the legal profession who was then a member of Parliament. The amendment is recommended by the Town Planning Board.

Clause 3 of the Bill proposes by the addition of a short passage to subsection (1) of section 20B of the principal Act to extend to leases of land and options to buy land the benefits conferred on contracts of sale of land by an amendment in 1967 to section 20B of the principal Act. The 1967 amendment allowed contracts of sale of land not in a lot to be concluded before the date of the approval by the Town Planning Board of the subdivision, but subject to the board's subsequent approval. This suggestion was made by the same legal practitioner. The amendment is supported by the Town Planning Board.

Clause 4 of the Bill proposes by the addition of a short passage to paragraph (b) of subsection (1) of section 31 of the principal Act to avoid an existing unnecessary delay in the registration of the transfers of land consequent upon subdivisions. As it stands at the moment the paragraph requires the Town Planning Board to make two examinations of final subdivision plans. The second examination does not serve a useful purpose. The proposed amendment, which would cut out the second examination of the final plans, was recommended by the Watson committee as one of the means of streamlining subdivision procedures. The proposal has the support of the Town Planning Board.

Debate adjourned, on motion by The Hon. W. F. Willesee (Leader of the Opposition).

EXOTIC STOCK DISEASES (ERADICATION FUND) BILL

Second Reading

Debate resumed from the 16th April.

THE HON. N. McNEILL (Lower West) [2.55 p.m.]: The introduction into this House of Bills which provide for compensation payments to be made in relation to stock diseases and stock losses is not new by any means. Members in this House have had considerable experience of various pieces of legislation which have been introduced, and these have had a very wide effect upon and a very marked application to our farming and livestock industry in particular over a long period of time. However, even though this in itself as a principle is not new, the introduction of this Bill to apply to exotic diseases does, in fact, incorporate some essential ingredients which have not been employed previously.

I think it may be truly said that this improvement will be and is one of the reasons why it becomes necessary to introduce legislation of this sort; and in succession to other pieces of legislation provide for certain aspects of compensation and eradication methods, but not in a way which in realistic terms will solve this problem—a problem which the farming industries through the world, and more particularly the farming industries in Australia, may at some time face.

In this Bill and in the second reading speeches on it, and in the other Bills associated with this one, expressions such as "exotic" and "enzootic," have been used, and these expressions are very necessary in the discussion on them. Whilst not wishing to burden members with dictionary definitions, I found them rather curious. The word "exotic" according to the concise definition means what we would expect it to mean; namely, that it is alien and not indigenous. It does not necessarily relate to all diseases or any particular condition, but is a general description. It also has an

additional meaning, and I see that the additional meaning is "outlandish" and "barbarous."

I am inclined to think that we should be concerned not only with the diseases covered by this piece of legislation but also those which are not alien and are indigenous to Western Australia, and which in fact are outlandish in their symptoms and barbarous in their effects, not only on our livestock but also on those people who are concerned with these industries and their economics generally.

I imagine it would be apparent to members that both the terms I have mentioned are derived from Greek origins. I know that the term "enzootic" is described in *The Concise Oxford Dictionary* as "after chaotic" but more particularly it refers to diseases peculiar to cattle, in respect of being peculiar to a season, climate, or district. I must confess that I was a little surprised with that definition, and I was not truly aware that in its dictionary definition it is strictly applicable to diseases peculiar to a district, season, or climate.

We see that one of the effects of this Bill is to repeal the Foot and Mouth Disease Eradication Fund Acts of 1959 and 1966. In the 1959 Act we had legislation which provided initially for a fund for the eradication of what is commonly known as foot-and-mouth disease. In 1966, as members would be aware, certain amendments were made to that legislation to provide for the inclusion of certain other diseases which had some close resemblance to foot-and-mouth disease, or diseases which could only be distinguished from foot-and-mouth disease by laboratory examination.

It was obviously clear that if diseases to all intents and purposes appeared to be foot-and-mouth disease necessary action should be taken straightaway in the same way as if, in fact, the diseases were a foot-and-mouth disease outbreak, even if at some later time it was found that such diseases were not, in fact, foot-and-mouth. However, both of those pieces of legislation are to be repealed and will be replaced by the Bill now before us.

In addition, the measure would appear to cut across certain other provisions which are contained in other legislation, and one of those pieces of legislation is at present before the House and will be dealt with after this Bill—I refer to the Cattle Industry Compensation Act. Once again members will not need to be reminded of the fact that over a long period of years, under various pieces of legislation, arrangements have been made for the payment of compensation in respect of certain diseases. However, I believe it is an important principle that in the case of payments made under the Cattle Industry Compensation Fund they were, firstly, paid as compensation to those people who had diseased stock. The fund was also used as a means of controlling a disease—and I use the word "controlling" advisedly.

The diseases covered by that legislation were in fact enzootic diseases—diseases which are located within our own situation and at this present time, and many of them have been here for many years. Because of the effect these diseases have, or are likely to have, on the health of the nation, or simply because of the economic effects on the farming industry, and to exercise good veterinary practices and hygiene, it became necessary to have all arrangements regarding these diseases brought under some sort of legislation.

The important point is that in this type of legislation provision was made for the establishment of a fund by contributions from the farming people themselves in addition to a like contribution from the Treasury. In the case of the Bill we are now discussing—the Exotic Stock Diseases (Eradication Fund) Bill—we see no mention of a contribution by the farming people affected—those who may be the owners or possessors of diseased stock or stock suffering from diseases proclaimed to be exotic diseases. However we do see the incorporation of a most important principle. It is one which should be well and truly heeded. Mr. Wise also referred to this matter and it is a most significant point; in other words, a recognition by the Commonwealth that this is a national problem and through co-operation, and in collaboration with the various States, through the auspices of the Agricultural Council, the Commonwealth will contribute to the establishment of a compensation fund for eradication purposes.

So here we have a fund which will provide for eradication as against a pure compensation fund for the control and mitigation of disease. However, before proceeding further I should like to return to the principle of the contributions made by the Commonwealth. I say this is an important principle because it does recognise that some collaboration and co-operation is necessary. This is in contrast to the position in some other spheres and in regard to some other diseases, or associated processes, because in those cases there is not the same desire to co-operate or collaborate. However, in the case of exotic diseases the Commonwealth has recognised the part it should play and is required to play as a national authority.

The control and eradication of exotic disease embraces certain other necessary and important features, not the least of which—and this is one which would be uppermost in peoples' minds—is that of quarantine. We have quarantine problems within Australia, and at Australia's borders; and, in the case of quarantining interstate and intrastate, I think we are all aware that we do not see the degree of liaison that should exist between the

States, and the States and the Commonwealth. I think probably there is a recognition that problems exist in the quarantine field, but perhaps those problems do not have the same impact which makes the Commonwealth believe that it should take the lead and bring about the necessary liaison and co-operation that should exist to combat the problems about which we are speaking.

I use this opportunity to say that I would like to see the same principle that has been adopted in this Bill, with the Commonwealth co-operating and collaborating with the States, extended to other fields which are similarly placed and which also have a similar great need for the same co-operation.

I have made some reference to the question of quarantining, and members may not be unaware that on a prior occasion in this House, in an examination of legislation dealing with similar matters, I drew attention to the need for quarantining. Other members have done the same thing. I also drew attention to the need for continued vigilance on the part of all parties. I find it a little tiresome to read in reports, and even in some official reports, and in statements that are made, of the necessity for official vigilance. I believe there is a need for vigilance on the part of everyone, and in my view it ill-becomes people, not necessarily wantonly but irresponsibly, and probably without thought and consideration, placing industries and the country at some risk simply because they are not observing certain conditions and requirements. I am sure if they thought of the consequences of their actions, they would appreciate the need for bringing down effective quarantine procedures.

I believe it is the responsibilty of everyone to make himself aware of quarantine regulations, particularly when entering Australia, irrespective of from where, and to take such steps as are necessary to ensure that he does not create any situation, and to make certain that he is not the cause of the introduction of undesirable diseases in any shape or of any description. Admittedly there are persons who would do this wantonly and who set about doing it as a deliberate act. It is easy enough for anyone to do this because in the case of quarantining so much is left to trust and in the belief that the people will be responsible and observe the laws in this regard. However, no matter how vigilant the quarantine officers may be there is always an opportunity for somebody to break down the regulations.

Notwithstanding that, some two years ago I drew attention to the situation that does exist in respect of Western Australian ports. I am aware that at that time the Commonwealth, in conjunction with the States, and more particularly with Western Australia—and that is the State with which we are dealing—agreed that in order to improve the position one aspect of quarantining—that is, incineration—should be introduced as a method of disposing of ships' garbage.

This would apply in Western Australian ports, and more particularly in those ports where ships arrive from and depart for overseas ports. From my inquiries I understand it has taken a long time and there has been a great deal of discussion and negotiation between the responsible authorities to effect improvements at Western Australian ports. We have still not got any incineration process for the treatment of ships' garbage. Perhaps it could be asked if this is so important. After all, we have survived for a good many years—in fact, virtually throughout our history—and have come through relatively unscathed. There have been certain outbreaks, referred to by Mr. Wise and others, which have affected livestock, but in the main our procedures have been almost completely effective.

We are all aware that in recent years there has been an enormous build-up in the tonnage of shipping, and the frequency of shipping, not only in one or two ports of Western Australia, but in a good many other ports as well. So while we have found that procedures in use for the disposal of ships' garbage at Fremantle—disposing of it so many miles out to sea—were, and still are, thought to be effective, for how long can we carry on in this belief? I believe we are on borrowed time.

The Hon. F. J. S. Wise: Airports do not do it.

The Hon. N. McNEILL: That is so. At some airports, incineration has been introduced for the treatment of garbage from aircraft because there is more opportunity for the introduction of a new disease. I agree that the opportunity for a breakdown in procedure is possibly greater at airports because of the short flights from overseas places and airports. This presents a greater difficulty as people are moving about much more quickly and are able to disperse much more quickly.

I would like to think that great progress will be made, and can be made, with the introduction of what I would refer to as satisfactory quarantine procedures in respect of ships' garbage. I am not unaware that the Commonwealth has authorised the construction of incinerators at six Western Australian ports. I am also aware that the harbour authorities are concerned about the situation that prevails. It is a difficulty which is not necessarily their concern, and I come back to the point I made earlier: The recognition of the problem by the Commonwealth. In fact, this is a national problem; it is of national interest and the Commonwealth should be primarily concerned. I believe that the

general responsibility for the early effectiveness of whatever procedures are adopted surely rests with the Commonwealth.

We well know—anyone who at any time has sought to import animals would know—the conditions which apply; and, in the main, I think these are very stringent, and are stringently enforced. A week or two ago I attended a conference which discussed farming needs. A number of very reputable people, both local and overseas, were present, and I was very interested to note that some mention was made of exotic diseases and the means of controlling them. At the same time the conference discussed the procedures which might be adopted to enable advantage to be taken of advances in livestock husbandry and breeding practices.

A question was directed to a senior departmental officer as to why certain strict procedures applied to the importation of stock from Great Britain which might carry blue tongue disease, when, in fact, the disease does not occur in Great Britain. I was gratified to hear the departmental officer reply most effectively. Also, another gentleman who was present from overseas joined in the discussion and said that the procedures laid down by the Australian quarantine authorities could be compared with those that might be applied in Great Britain to prevent the introduction of foot-and-mouth disease from Australia. The method in Great Britain in that case is no different from that applied in Australia to prevent the introduction of blue tongue disease from Great Britain. On this basis is would appear to be a "coals to Newcastle" type of exercise.

The departmental officer said that the consequence of the slightest breakdown in quarantining would be of such major importance and would have such an enormous impact on our farming industry that it was believed it was a very small cost to bear. I feel the general public and the people in the farming industry throughout Australia would well and truly support that contention.

We know the conditions that are laid down with respect to the importing of certain livestock, including pets such as cats and dogs. For instance, one cannot import an animal into Australia if, at any time during the voyage, it had been in contact with another animal from some other port *en route*. Such an animal would be banned, or prohibited from landing. Perhaps this seems severe but, once again, surely it is a small price to pay for the great benefit to Australia.

I want to draw attention to some features of the Bill and I will be a little more lengthy than I have already been. The Commonwealth will be a major contributor to the fund. Under the Cattle Industry Compensation Act, contributions are made to the fund by the growers at certain statutory rates. In the case of the fund provided under this legislation, the contributions are, in fact, made by the Commonwealth and the State, and by means of certain other incidentals. There is no mention of any contributions from the farming people themselves.

You, Mr. President, have been indulgent. I feel that these two pieces of legislation are complementary and I therefore find it most convenient to refer to both. In the case of the Cattle Industry Compensation Fund, compensation is payable in respect of diseased stock that are destroyed. In the case of exotic diseases, compensation will be paid in respect of an animal that dies as a result of being on a property which is under quarantine for the disease. There is no question that in a case where one happens to have a property on which a disease such as tuberculosis or brucellosis occurs, and the animal dies as a result of one of those diseases, no compensation is payable. We are aware of this. In the case of exotic diseases, if an animal dies from an exotic disease on a property which is under quarantine because of that disease, then compensation is, in fact, payable. It is also interesting to note the interpretation of exotic disease, and that the Bill specifies those diseases which might be included under the general term of, "exotic"; and then of course, the Governor is given the opportunity of proclaiming or declaring any other disease to be an exotic disease. It also specifies that certain types of stock shall be included or come within the ambit of this Bill, but gives the Governor the opportunity to proclaim any other type of stock which it may be necessary to include. All in all, I think we have here an example of legislation which is complicated in view of its overlap, in so many instances, with various other pieces of legislation in respect of regulations for the control of diseases, compensation funds, and the like. This Bill is one which could be termed "in anticipation"—although perhaps that is not the right term to use—of certain conditions.

We are faced so often—and I do not mean this in any real sense of criticism—with situations where, because of the existence of certain conditions, it becomes necessary to legislate. This applies not only to the farming industry, but also to all walks of life. However, this is a case in which legislation, in all its difficulties and all its complications, has in fact to be ironed out before the occasion of its use arrives. I think this can only be a tremendously valuable move.

It is clear that there will be little disagreement with the principles which are outlined in the Bill. If anyone needs to be convinced of this, or if anyone makes the observation that there is too much stringency applied, and that there is too much

difficulty involved, I would refer him to the debates which have taken place previously in this House, and more particularly to the reply of the Leader of the House to a debate on a similar subject in volume 173 of the 1966 *Hansard*. In replying, the Minister gave some details of the effect of foot-and-mouth disease on livestock in Great Britain and Mexico and also, I think, in certain other countries. I do not think the occasion warrants my emphasising the account of the Minister. In the course of my research on the Bill I referred to the handbook received by all members from the United Kingdom Information Office.

In view of the fact that exotic diseases—as we call them; to them it is just plain "foot-and-mouth"—have such an impact in the United Kingdom, I thought this handbook warranted some examination. I suppose it is a sign of how one can deal with problems—even enormous problems—such as the United Kingdom has had, when we note the extremely small comment which appeared in the agricultural section of the book. It is mentioned in one short sentence—

> In 1967, the country had a major outbreak of the foot-and-mouth disease, but this was combated successfully by stringent slaughter.

We are all aware of the thousands of stock and the hundreds of thousands of dollars which that disease cost Great Britain, and the impact it had not only on agricultural life, but also on commercial life. Yet the situation is covered in the handbook by just one small sentence. Let us bear the last few words of that sentence in mind. The United Kingdom was in a position which has only on very rare occasions obtained in this country, and I emphasise again the words, "was combated successfully by stringent slaughter."

How fortunate we in this country are when we do not have conditions which involve seeing ourselves or our neighbours in a position where the only method of controlling and eradicating a disease is simply stringent slaughter.

This is one of the purposes of legislation of this sort: to ensure that if there is an introduction of disease, such mass methods may not be necessary, and that all procedures will be well and truly in hand and rehearsed. I believe that our veterinary services and the Department of Agriculture are in fact well rehearsed, so that the effect of an outbreak of disease would be absolutely minimised as a result of the procedures which are provided for in this measure, and also in another measure which is closely associated with it; namely, the Stock Diseases (Regulations) Act.

In giving the Bill my wholehearted support I feel—and I make no apology for emphasising it—that it is undoubtedly one of the major pieces of legislation in terms of benefits which can be conferred upon, and security which can be provided for, not only our farming industries, but also the general public and the Australian economy as a whole. I support the Bill.

THE HON. C. R. ABBEY (West) [3.28 p.m.]: I rise to support this Bill which you, Mr. President, being a primary producer yourself, will realise is something that has been required for some time. We now see it in actuality. It was very interesting to listen to the previous speakers. They covered the subject very fully and, I think, pretty adequately.

However, it would be interesting to do an exercise on just what a possible outbreak of one of the exotic diseases could cost Australia as a whole. Other countries in the world have experienced severe outbreaks, and the cost on the English scene has been, I believe, of the order of £100,000,000; and large amounts have also been involved in America and Mexico. Think of what this could mean to our Australian economy, and the impact it would have. It would indeed be very serious.

No doubt, the mineral development and industrial development which is going on in Australia would cushion the effect somewhat on the general economy, but it is a saddening thought that it is a possibility.

It is good to see, as other members have said, that the Commonwealth is committing itself financially in connection with this Bill. As I see it, it is more a matter of underwriting, because the amounts involved could be so great that no State Government or industry fund could possibly hope to cope. I would like to make reference to some fairly recent figures in connection with amounts held in industry funds dealt with in this Bill.

In August, 1967, I asked a question relating to the amounts held in these funds and it was shown that at the 30th June, 1967, a sum of $506,861 was held in the Cattle Industry Compensation Fund. On the same date $290,049 was held in the Pig Industry Compensation Fund and, again on the same date, $66,943 was held in the Poultry Industry Compensation Fund.

At that time, and as they related only to those diseases which the funds affect, these appear to be fairly large amounts. But the sums in question are only a drop in the bucket if we are to legislate for all the diseases covered by the Bill.

The people in the industries concerned naturally expect that they will be asked to make contributions and, no doubt, fairly heavy contributions, for this purpose. I would like the Minister in his reply to cover some of the aspects as to how the charges will be dealt with and what amounts, perhaps, will be invested under each of these compensation funds.

In previous measures we have had these amounts set out. I daresay that the regulation-making powers of this Bill will enable the amounts to be stated, but for the benefit of the House and of the industry generally, I think we should be given some idea of what will be required in the future.

I appreciate it might be a little difficult to estimate the amounts in question until such time as the Bill is passed, but I do think that the people concerned in the stock industries would be most unrealistic if they did not accept the burden. I know they will accept the burden, which is one that must be carried by the Commonwealth, the States, and the stock owners.

It is necessary to create a very large fund to cover any future outbreaks which might occur, and this matter was very ably dealt with by Mr. Wise and Mr. McNeill. There is another aspect to this question which is dealt with in the next Bill, but I might be pardoned if I mention it here. It refers to the control of TB and brucellosis. The requirements for testing, and so on, with the present compensation fund are fairly wide, but I very much doubt that even in the case of TB the testing is at the moment being adequately carried out, with the possible exception of the testing being done in the dairying areas.

I know that in several districts, including my own, large herds are tested for TB by the private veterinary surgeon in the area, who very often has to travel 70 to 100 miles to a property. He is not that well paid for the job, so really only the large herds are considered attractive to a private practitioner to enable him to cover his costs.

This is an aspect that will have to be tackled by the Department of Agriculture in connection with all herds. First of all primary TB testing will have to be brought under the scheme. It is some years now since the scheme was extended to cover the entire State. While I have no doubt that it is almost 100 per cent. successful in the dairying areas I feel that it is only likely to be 50 per cent. effective in those areas where there are small numbers of cattle. I think this is due to the lack of veterinary surgeons. I know the department is aware of this fact, but we must do something about it if we are to make these measures effective; if we are to bring brucellosis under control. I am not sure that there is much of this except in the dairying areas, although I daresay there are pockets throughout the State which require cleaning up.

Having made those points, I hope the Minister will tell us something constructive about this matter. It is very comforting to the stock industry to know that this measure will come into being. I am sure there is no doubt in anybody's mind, least of all in mine, that the Bill will be passed. It contains a measure of compensation that will probably create a situation where a stock owner will know that he will be able to carry on if his stock is affected in the future.

The owner will suffer heavy financial loss no matter what compensation he might receive if we are ever in the unfortunate position of having one of these diseases introduced into Australia. The legislation will, however, at least enable him to carry on.

The unfortunate people affected by the last outbreak in England will, no doubt, take many years to get over the loss of income they suffered, quite apart from the other detrimental effects which resulted from the outbreak of foot-and-mouth disease. With those remarks I support the Bill and I hope it passes a second reading without alteration.

THE HON. L. A. LOGAN (Upper West—Minister for Local Government) [3.37 p.m.]: I am naturally very pleased at the reception which this Bill and the others complementary to it have received in this Chamber. I would like to thank members for their contributions and to point out that it is naturally impossible for a Minister, when introducing such Bills, to cover all phases of the intentions of the provisions contained in those Bills.

I think Mr. Dolan raised the question as to why more publicity could not be given to some of the decisions of the Agricultural Council. I think it has been a recognised principle ever since the council has been in existence that its only spokesman is to be the Commonwealth Minister himself. Possibly this is why we do not get quite as much publicity in this State as we think we should. Instead of this publicity being disseminated from each State Minister, it comes from one source only—the Commonwealth Minister. This has been standard practice.

I cannot give the exact figures for which Mr. Abbey asked, but I can give the formula. I think Mr. Wise asked what the formula was likely to be, and he also said that it would be interesting to know more about the principle of Commonwealth participation and the setting up of this fund, and just how it emanated.

I made some inquiries and the replies I received are as follows:—

> The proposal for a Commonwealth-wide fund for eradication of exotic animal diseases emanated from a committee which included the Chief Veterinary Officers of the States, a representative of C.S.I.R.O., and the Commonwealth Director of Veterinary Hygiene, and which was known as the Exotic Diseases Committee.
>
> The proposal was considered by the Standing Committee on Agriculture (which includes all State Directors of Agriculture), which recommended its

adoption by Agricultural Council. Agricultural Council agreed that all States should adopt the proposal.

I would not be surprised if some incentive was given to this scheme as a result of some irresponsible person not very long ago illegally, or otherwise, having brought in semen for artificial insemination. This created quite a stir and raised a problem in regard to blue-tongue. All this made the Commonwealth realise what could happen if it did not come in behind the scheme. To continue—

> The funds for eradication of exotic stock diseases will be provided from contributions from both States and Commonwealth.
>
> Formulae for contributions for different diseases will vary, e.g., a different formula will probably apply for swine fever from that for, say, Newcastle disease of poultry.
>
> The formulae are now being worked out but in general will be based on livestock numbers and production for all States and the Northern Territory. Contribution from the States and the Territory will be matched by a contribution from the Commonwealth, i.e., the Commonwealth will provide 50 per cent. of the funds.

The Hon. C. R. Abbey: Will the charges be uniform?

The Hon. L. A. LOGAN: Yes, for each particular disease. Naturally the amount paid in respect of poultry will not be as much as that paid for blue-tongue in sheep or for foot-and-mouth disease in cattle. The charge will be in accordance with production and numbers. It will also be based on the formula which is now being worked out. The Commonwealth will be contributing 50 per cent. of the funds. I trust that those comments have answered most of the queries that have been raised.

Last evening Mr. Wise mentioned the swine fever outbreak which occurred in 1942. I can well recall it as at that time I was serving in the 19th Garrison and the fever hit Mr. Sewell's property, one of the largest pig farms around Geraldton. It was necessary to call in the Army to bury the dead pigs.

I do not think I can add any more to what I have said; and the matter has been well aired in this House. I am certain that members of this House have a very good knowledge of this problem and are well aware of the dangers that could arise should any laxity take place in respect of stock diseases.

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. L. A. Logan (Minister for Local Government), and passed.

Sitting suspended from 3.46 to 4.2 p.m.

ALUMINA REFINERY (MITCHELL PLATEAU) AGREEMENT BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.2 p.m.]: I move—

> That the Bill be now read a second time.

I wish to introduce this item now because the second reading speech surrounding the Bill is, I am sorry to say in a way, quite a long one. This is because of the explanation of the agreement, which is the schedule to the Bill.

The Bill is introduced to Parliament for the ratification of an agreement between the Government and Amax Bauxite Corporation in relation to the mining of bauxite and the production of alumina, together with investigations into the possibility of establishing within this State a smelter for the conversion of alumina to aluminium. The agreement is of singular importance because of its proposals for the establishment of a major industry in the extreme north of the State near Admiralty Gulf, a part of the State where there is literally no development at the present time.

The company, at a cost in excess of $1,400,000, has established the existence of bauxite reserves in the Mitchell Plateau area. Also, it has conducted investigations relating to the mining, beneficiation, transport, and refining of bauxite, and the shipment of bauxite and alumina. The projected refinery, together with ancillary works and services, will cost in excess of $100,000,000.

At least, this figure is prescribed in the agreement as being the minimum investment, though having regard to the latest assessment in respect of the Gove project, it is advanced as a minimum figure only. A project of comparable size is to be established at Gove and, as I proceed, members will appreciate it will be nearer $300,000,000 in its final cost when 1,000,000 tons a year are obtained from the alumina project.

The Kimberley bauxite deposits were discovered by company geologists early in 1965. Scout drilling indicated their potential and in 1966 an intensive drilling and shaft-sinking programme was commenced In the following year, the whole plateau was covered by a broad drill grid and the most promising individual ore body was drilled out on 400-foot centres with shafts being sunk every 800 feet. Field crews are currently drilling out the most northerly area of the bauxite bearing plateau, with a view to mining operations in this

location taking advantage of the short haul to the coast during the early years of production.

A pilot washing and screening plant has been operating effectively since the beginning of last year. Using a blast-hole drill and a D9 bulldozer, several trenches and natural benches have been opened up to supply bulk samples for processing purposes. This is to obtain data on the recovery rates of product at various screen sizes and screen analyses of crusher feed, crusher product, and tailings, in order to determine necessary specifications. In taking bulk samples for the pilot plant, blast-hole drilling rates and explosives consumption were determined. At the same time, ripping tests were carried out with the bulldozer to establish whether any substantial proportion of the ore body could be extracted by using ripping and scraping equipment.

This aspect is mentioned in particular for the reason that this deposit is quite different from the large Weipa deposit containing huge tonnages of high grade material more or less extractable on a face. By comparison, the Mitchell Plateau deposit requires beneficiation before it can be classed as suitable for alumina refinery feed.

A hydrographic survey of possible pier sites in Port Warrender and of the approaches through Admiralty Gulf was completed during 1967. The survey suggests two possible port sites, both with excellent approaches and having 50 to 60 feet of water at low tide and within 1,000 feet of the shore line. A decision on the location of the port will be made when the company submits its proposals in detail to the Government.

The company has reposed in Bechtel Pacific Corporation responsibility for conducting a feasibility and cost study. This assignment commenced in April last year. The basis for the study design is a 600,000 long tons per year alumina plant located on Walsh Point in Admiralty Gulf. As already indicated, bauxite would be mined at the northern end of the plateau. There, it will be crushed in a mobile primary crusher with a capacity of about 500 tons per hour, then hauled to the port by 100-ton bottom dump trucks.

The agreement mentions a commitment up to 600,000 tons of alumina product. Feasibility studies, however, indicate to date that this tonnage will need to be higher for the project to be economically viable and this result parallels the experience in respect of the estimates at Gove.

A beneficiation plant at the port will reduce the reactive silica content of the ore by a tumbling and washing process with further crushing to minus three-eighths of an inch. A recovery of 65 per cent. of the ore feed is expected.

The Bayer process, designed to treat bauxite which contains trihydrate alumina, will be utilised at the alumina plant. The process involves slurrying of the ground bauxite ore with caustic solution. Then, iron titanium reactive silicone impurities are separated from the liquid by means of cylons, thickeners, and filters. The clear liquid is passed through a series of flash tanks to reduce its temperature and pressure. Alumina trihydrate is settled out by adding a seed charge in precipitation tanks. The precipitate is then filtered off, thickened, and calcined to produce pure alumina.

A power plant of approximately 30,000-kilowatt capacity is to be erected to supply steam for the process and power for the project. Port facilities generally will include the unloading and storing of caustic soda, fuel oil, and other operational stores. The wharf for the handling of general cargo and the loading of alumina is designed to have a rate of 1,000 tons per hour.

At Port Warrender, a townsite for 1,500 people will be built to house all personnel working on the project and will include all social and recreational facilities desirable for complete modern living.

A water supply reservoir and pumping station will be located to the west of the townsite, with a capacity for safe supply of 3,000,000 to 5,000,000 gallons per day. The main uses of water will be for the town, alumina plant, and beneficiation plant.

An effective communications system will be installed, incorporating a radio and telephone link with Darwin or Derby. There are no facilities of this nature at present and, as exploration teams have had to rely on radio communication and on a very limited airfield, the construction of a suitable airport for aircraft operated by the local commercial operator is necessary.

The company holds temporary reserves over an area of approximately 1,500 square miles, which, under the terms of the agreement, may be converted progressively to a mining lease within six years of the commencement date. The company also has the right to surrender any part of the lease from time to time.

The initial term is for 21 years with an option of renewal for a similar period. The rental for the first 21 years is at a rate of $5 per square mile, and thereafter at an amount prescribed by the Mining Act but not exceeding $10 per square mile.

The mineral lease will entitle the company to mine bauxite and associated minerals and clays within the weathered profile. This latter means the zone within which any or all of the original chemical elements of the rocks have been redistributed or concentrated by atmospheric or ground agencies.

The company is obliged, in accordance with its approved proposals, to complete by the end of the third year, and have in operation, the first stage of a refinery with an annual capacity of 200,000 tons of alumina, and by the end of the tenth year, its capacity will have risen to 600,000 tons per annum.

The company must submit proposals under the following headings by the 30th June, 1969, or other date approved by the Minister:—

(1) Port and port development to accommodate ships to 30,000 tons initially for loading bauxite and alumina, together with preliminary plans for expansion necessary to take 60,000-ton vessels.

(2) Bauxite and alumina transport facilities.

(3) Townsite facilities.

(4) Regional facilities.

(5) Alumina refinery.

(6) Any other works required.

(7) Marketing and financial arrangements.

I would invite members' attention to an unusual feature in this agreement; namely, the specific reference to infrastructure. This is a question in these remote areas which has exercised the mind of the Government, particularly as indicated in this agreement, where the company has to supply all of the infrastructure in a particular locality and this, for the reason that we have not available loan funds to divert for this purpose. This question covers housing, schools, hospitals, supplies, power and, indeed, everything that makes it necessary for a community to exist. One of the problems, of course, in this particular matter is the cost of the money to be expended in those directions, and this is quite a different factor from the actual industrial activities.

To appreciate the position, it must be realised that there is in this location literally nothing else but the activities of the company. It would be desirable, of course, to find some other company to go in with it because there is no special appeal in what might be referred to as a "company town." If the Government had the money to build this town itself, then quite normal development might be expected, but the Government does not have the money to build a single house in projects of this nature where priority of accommodation must, of necessity, be accorded employees of Amax.

In negotiations with the company, some difficulties were experienced in respect of the tremendously high infrastructure costs which the Government has to ask the industry to carry. The company has no objection to providing the infractructure costs that are negotiated, but one of the problems is that it is having to use very dear money on the provision of housing, school, water supply, etc., which is normally the money that is used in industrial activities. We have been endeavouring to find ways to relieve the company of this by at least making the money available on a cheaper basis. The position is aggravated where overseas companies are involved and they are limited in the amount of money they are able to borrow in Australia under Commonwealth policy. Therefore, they usually have to go overseas to borrow money at a high cost and put it into infrastructure development, as distinct from industrial development; that is, the actual mine, the plant, and those things that are earning the normal income.

In view of the fact, however, that these companies are competing with the rest of the world, the infrastructure cost does become a factor which we cannot ignore. Therefore, in explaining this unusual feature of the Bill, I want to make it clear in the minds of members that the Government is in no way committed to this particular part of the agreement. In other words, we have the right to opt out of it at any time we like until proposals are accepted and legislation related thereto is introduced into the House, when it would become a Statute in its own right.

It is envisaged that certain financial institutions may be prepared to finance a regional development authority. Should the company be successful in its endeavours, it will submit proposals on arrangements for the regional development authority on the basis of—

(1) The regional development authority being constituted by an Act of Parliament as a corporate body.

(2) The State granting to the regional development authority for a term of 99 years at peppercorn rental a special lease of Crown lands of an area agreed upon between both parties.

(3) The regional development authority to construct regional facilities and to grant to the State a head sublease for a term of 42 years at a rental sufficient to amortise the total cost over this period.

(4) The State in turn grants a sublease to Amax Bauxite Corporation on the same terms and conditions as the regional development authority grants to the State.

(5) The regional development authority agreeing that the company shall be entitled to operate and maintain any improvements and supply and maintain power and water at the cost of the regional development authority.

(6) The company accepts the obligation to maintain and operate the regional facilities at its own expense and indemnify the State in this regard.

(7) The company procures a covenant in favour of the State from a third party approved by the State which virtually guarantees that in the event of the sublease being terminated, all rentals payable will be met.

This latter provision is important for we would need to have a surety that—for any reason of its own, the company decided to cease operations at say, year 16, or 20—there was somebody of proper stability and capacity to take over the commitment under the rentals that would be payable.

It is desirable, I think, for me to emphasise again that the Government has the right to opt out of its arrangement at any time. It has been explained to the corporation, and it accepts the fact that we cannot include any provision which would, in any way, inhibit our borrowing capacity and normal loan fund arrangements under the Loan Council.

We are not sanguine about our ability, or the company's ability to negotiate a basis which would make this infrastructure finance available on a more economic basis than it has been in other projects; but I think it should be agreed, on a study of the provisions, that we have to start somewhere in a search for this type of finance and the way we have done it is the safe way because the Government can opt out of it.

A further reason why this project would need cheap infrastructure money is because alumina production on its own is not regarded throughout the world as being a highly profitable operation, at this juncture, and it could not stand the same finance charges as could some other projects.

The parties to the agreement recognise that the concept of the regional development authority is an entirely new approach to the financing of the infrastructure to provide housing and the ancillary services necessary for a township. Consequently, it was decided that the State and the company should consult from time to time on the feasibility of the establishment of a regional development authority, and if at any time prior to the approval of the company's proposals, the State considered this to be impracticable, provision was made for the State to disengage.

In the matter of royalties, it is our policy to endeavour to have royalities on a reviewable basis, and negotiations were conducted with a view to arriving at mutually acceptable terms. One of the problems, of course, in the case of lower value materials is the need for the company to be assured that it can service the large capital investment involved and have some reasonable certainty as to what its cost will be in the years that lie ahead.

There is an understandable reluctance on the part of the company, which will be investing over $100,000,000 in a remote area, to be subjected to an unknown factor if royalties are to be entirely at the discretion of the Government of the day.

It was agreed, therefore, that the following scale of royalties should apply for a period of 21 years from the commencement date:—

(1) On bauxite shipped—12½c per ton.

(2) On bauxite used in the refinery—7½c per ton.

(3) On special grade bauxite for refractory and special purposes shipped to points within the Commonwealth—25c per ton.

(4) On special grade bauxite produced for refractory and special purposes shipped outside the Commonwealth—40c per ton.

It will be apparent that there are two types of royalties; namely, one for bauxite used at the refinery and one for bauxite shipped away, and there is also the special royalty rate for refractory or special-type bauxite. Thus, there is a differential also for the special type of bauxite used within Australia and that which is shipped out of Australia. The refractory or special types are in limited quantities but it is expected there may be types of a higher value than ordinary bauxite, which it may be worth mining as a separate proposition. This explains why there are differential rates and a higher rate is fixed for the refractory-type bauxite used in such things as blast furnaces and the like, which refractory materials the State is presently importing.

Approximately three tons of bauxite are required to make a ton of alumina, but this varies considerably in this case because of the grade and the fact that it has to be beneficiated before it can be refined.

The royalties payable will increase or decrease proportionate to the increase or decrease in the mean quarterly world selling price of aluminium above or below $A500 per ton.

The mean quarterly world selling price of aluminium is deemed to be the average expressed in Australian dollars of the four prices first quoted in the *London Metal Bulletin* in respect of Canadian primary aluminium 99.5 per cent. purity f.o.b. Toronto in each of the four quarters immediately preceding the quarter in which the royalty return is required. This formula is fairly universally used for measuring the movement in price.

I earlier mentioned a review of royalties and would point out that, after the initial period of 21 years, royalty rates are reviewable by the State for each seven-yearly period thereafter. The royalty per ton payable for any seven-yearly period shall not exceed the average royalty rate per ton during the three-year period expiring on the 30th day of June immediately preceding the respective date for review, or payable in respect of bauxite used in the production of alumina in the Commonwealth by other parties engaged in the combined operation of mining bauxite and producing alumina in comparable projects with comparable commitments in comparable areas.

More simply, the idea is to try to arrive at a formula for review requiring the company to pay what was payable under the Mining Act but at a rate of royalty not exceeding the average of comparable projects in comparable areas and operating under comparable conditions in Australia.

By this means, we are endeavouring to tie our royalties to projects being undertaken north of the 20th parallel; namely, Mitchell Plateau, Gove, and Weipa. While they have comparable climates and are comparable as to remoteness, they do not all have comparable commitments. For instance, the Weipa bauxite does not have to be converted to alumina at Weipa. The Weipa bauxite production is, in fact, taken around the world; some is taken around to Gladstone for refining. While the Weipa proposition does not actually compare with it on its own, if we take the whole of the Weipa commitment, I think it fair to say it is reasonably comparable.

In reviewing our project in the north every seven years after the initial 21 years, it is felt that it would be unfair to expect the company to pay a royalty higher than its competitors in Commonwealth-controlled territory—that is, the Northern Territory—and in Queensland-controlled territory at Weipa. Controlled export of bauxite in addition to alumina will be permitted, initially, to generate a cash flow to assist the economic viability of the project, and it has been decided to tie bauxite export tonnages to the production of alumina.

Therefore, under the terms of the agreement, the company is not to ship or sell bauxite without the approval of the Minister, except for the following quantities:—

(1) During the first three years from the commencement date, a quantity not exceeding a total of 3,000,000 tons.

(2) From years four to 10 inclusive, a quantity equal to 2½ tons for each ton of bauxite fed to the refinery.

(3) Thereafter, in each year which the refinery operates at a rate which is not below 200,000 tons less than its rated capacity, a quantity equal to 2 tons of bauxite for each 1 ton fed to the refinery.

The company will, of course, be obliged to restore progressively, and in consultation with the Minister for Mines, the surface of the mined areas and to regenerate the vegetation thereon in accordance with good mining and industrial practice. Needless to say, in carrying out any programme of this nature, it will be necessary to have regard for the remoteness of the area concerned, its condition prior to the mining operations, the cost to the company, and the risk of pollution from any drainage system, together with the possible effects of soil erosion.

Should agreement not be possible between the Minister and the company, there is provision for a firm of consultants of international repute to decide the best means to be employed.

The disposal of residues—that is, red mud, and other effluents from the refinery —will also be subject to agreement between the Minister for Mines and the company, having due regard for the factors enumerated in the restoration and regeneration of the mined areas.

It was not considered reasonable to expect the company to enter into a firm commitment for the construction and operation of a smelter to convert alumina to aluminium. It takes approximately two-thirds of the cost of aluminium in power to smelt alumina into aluminium, and therefore it is not until very large-scale cheap power is available that one can have a smelting operation. However, during the course of negotiations a number of alternatives was studied, resulting in a proposition which has quite a deal to recommend it. We did not want the question of a smelter to be completely overlooked, lest in the future some other type of smelting operation unexpectedly came on the scene, enabling us to negotiate large-scale power generation.

Under the terms of the agreement, therefore, the company undertakes to investigate the feasibility of establishing a smelter within the State and to review the matter from time to time, keeping the Minister fully informed as to progress made. At any time after the end of the thirteenth year, the Minister may give notice to the company requesting consideration of the submission of proposals for the construction of a smelter in the vicinity of the refinery site and having an annual capacity of not less than 50,000 tons of aluminium; that is, of aluminium product.

If, within two years of the notice referred to being given by the Minister, the company submits proposals for a smelter, then the Minister has a period of two months in which to approve or raise any objections or alternatives desired. On the

other hand, should the company not submit proposals within the two-year period, or if for any reason approval is not given, then the Minister may give notice that a third party has agreed to establish a smelter. Under such circumstances, the company is obliged to supply this other party with sufficient quantities of alumina as prescribed to operate the smelter.

This is considered to be something of an inducement to the company to undertake smelting operations, if at all practicable, because should the company not undertake smelting operations, it will be obliged to supply alumina on the spot to a rival company, if such company deems it practicable and desirable to establish a smelter.

The company undertakes, as far as is reasonable and economically possible, to use local labour and to give preference to *bona fide* Western Australian manufacturers and contractors in placement of orders for works, material, plant, and supplies, where price, quality, and delivery are equal to, or better than obtainable elsewhere. Assurance is also given that opportunity is offered to Western Australian manufacturers and contractors to tender or quote when tenders are being called for contracts let.

Other useful provisions common to agreements of this nature have been included, such as power to extend periods or dates referred to, arbitration in the event of disputes, determination of the agreement should default by the company occur in regard to the due performance of its obligations and covenants, joint user arrangements, and the like. This follows the general pattern of this type of agreement, except that there is the very important provision relating to the regional development authority, which provision we can opt out of at any time we so desire before the proposals submitted by the company are, in fact, approved.

Members will appreciate that this is an important industrial agreement and in concluding my explanation of its salient features, I would state once more its importance in particular to the Kimberley region, presenting as it does an opportunity for an initial break-through towards the establishment of a large-scale industry in that area.

The aluminium industry is, in fact, the fastest growing metal industry in the world today. Over the past 10 years, a system of consortia has developed within this industry and this system is regarded as a very sound one in that the biggest aluminium-producing companies in the world are getting together and trying to develop the resources at the source in countries like our own and some of the less-developed countries.

It is considered that it will need 1,000,000 tons of alumina production to make this project in the Kimberleys attractive, and with this in mind, it is only when the companies can join together and give assured markets for sufficient quantities of alumina that these projects can be viable.

Unfortunately, almost without exception, deposits lie in fairly difficult areas entailing heavy costs in initial development. The economics are marginal and are more critical in the production of alumina than in any other metal-producing industry. While Amax Bauxite Corporation has no Japanese connections, it could be expected that the company would either have a Japanese joint venture eventually or a very large proportion of its output would go to Japan, as is the case with the refinery at Kwinana.

Before concluding, I would make one final reference to regional development. Normally, one would expect a regional development authority, such as we have been talking about in the past, to embrace something like the whole of the Pilbara, or the whole of the Kimberley. However, this concept of a regional development authority, as provided for in this agreement in relation to the Mitchell Plateau area only, is more the type of regional development authority which is very common in America. In that country there is this type of regional organisation which is found to be very convenient for the purposes of raising money as public securities at a lower rate. This is approved under America's normal exchange system.

Of course, the regional development authority, if approved by the Government, will be established under an Act of Parliament in which the more detailed aspects of the authority will be set out.

We could envisage the membership of the regional development authority to include both company and Government representation, and some local representation also. The form could be very much influenced by the type of development which takes place. For instance, the company is very anxious to work with us in trying to establish other industries simultaneously with its own development. It would for instance, like to see a substantial fishing industry established in Admiralty Gulf so that everyone living in the new town will not be working for the Amax company.

The company also wants to study the prospects of establishing some form of forestry in the area—which has never been attempted before—to achieve some diversity. If some diversified industries are established, then the representation on the regional development authority may have to be expanded. We would not be able to specify the complete framework of the regional development authority in the agreement. For this reason, it was left to be covered by a special Statute that will have to be brought down in Parliament at the time when the Government approves the regional development authority proposals.

There is available for members a photostat of the plan in the actual agreement and it shows areas (a), (b), (c), (d), and (e), and another map which shows in more detail the area at Admiralty Gulf so that members will be able to see the potential port site, plant site, etc. I commend the Bill to the House.

Debate adjourned on motion by The Hon. W. F. Willesee (Leader of the Opposition).

AGENT GENERAL ACT AMENDMENT BILL

Receipt and First Reading

Bill received from the Assembly; and, on motion by The Hon. A. F. Griffith (Minister for Mines), read a first time.

LAKE LEFROY SALT INDUSTRY AGREEMENT BILL

Second Reading

THE HON. A. F. GRIFFITH (North Metropolitan—Minister for Mines) [4.38 p.m.]: I move—

> That the Bill be now read a second time.

At the outset, having just completed the introduction of the Alumina Refinery (Mitchell Plateau) Agreement Bill, I think it is absolutely correct to say that one now moves from a portion of the State in the extreme north to another much further south. I am sure this Bill will be of interest to members representing goldfields' areas, particularly Mr. Stubbs and Mr. Garrigan.

An agreement was reached on the 25th March, 1969, between the State and Norseman Gold Mines No Liability for the production of salt for export at Lake Lefroy near Widgiemooltha, and the purpose of this Bill is to ratify that agreement.

In this project, Norseman Gold Mines will be associated with Sumitomo Shoji Kaisha Ltd. of Japan. The Japanese company will contribute 48 per cent. of the required capital of between $6,400,000 and $7,000,000, and it has undertaken to market a minimum quantity of 7,600,000 tons of salt during the next 15 years.

It is intended that salt be harvested on the lake bed during the summer months when the waters of the lake have evaporated. The resulting stockpile of salt will be transported to Esperance by rail, where it will be loaded into ships for export to Japan. In order that the tonnage required to meet the export targets may be railed, it will be necessary for a spur line to be constructed from the Coolgardie-Esperance railway line to the lake shore, a distance of approximately eight miles; to upgrade the existing railway line from Widgiemooltha to Esperance; and to provide a connection to the land-backed berth.

Members with a knowledge of this area will know that rails were placed on the original wharf but there was no connection between the Coolgardie-Esperance railway terminal and the wharf, although land had been resumed in readiness for connecting the existing railway route to the land-backed berth where the rails have been installed. The company will make a contribution towards the railway line extension connection to the wharf and for the railway line upgrading, and it will be responsible for constructing the spur line to Lake Lefroy.

The agreement is conditional on the company satisfying the State that it has entered into satisfactory contracts for the sale of salt and that it has the necessary finance to complete the works.

The company, at present, has a temporary reserve over the major portion of the lake surface. This reserve is delineated on a plan which I shall seek permission to table for the information of members.

Under the terms of the agreement, the company's rights of occupancy granted under the temporary reserve will cease once the production site lease of 3,000 acres—depicted in green on the plan—has issued. The production site lease will be initially for a term of 21 years with rights of renewal for a further term of 21 years.

At this point I wish to say that, in latter times, I have been very keen that the provisions of the Mining Act should be observed in regard to these terms, and that Act stresses the terms in periods of 21 years.

The lease rental payable is $25 per 100 acres per annum, which is high rental when compared with other salt agreements with rental of the production sites at $4 per 100 acres per annum. The reason for this additional charge being levied at Lake Lefroy is that salt occurs there as a natural substance and only requires harvesting. Consequently, it is not necessary to have such a large harvesting area at Lake Lefroy as at those salt projects which rely on solar evaporation to obtain the salt production; nor is comparable capital outlay for works such as the earthworks involved in these projects entailed in the lake harvesting project at Lake Lefroy.

It has been estimated that 3,000 acres will be sufficient for the company's needs and that the winter flooding of the lake surface will replenish the salt reserves each year. Nevertheless, in order to provide for unexpected contingencies, the agreement permits the company to relocate the production area provided that land is available. In fact, in the light of experience, it may be desirable to change the 3,000 acres delineated on the plan. This will be permissible, provided that in the meantime the projected new area of the lake has not been allocated for any other purpose. Simply, if the land is available, the company can have it, and, if it is not available, the company cannot have it.

Clause 10 of the agreement is of particular interest. Lake Lefroy is in the centre of the area in which there have been nickel finds and, as a result of these, there has been considerable activity by mining companies in the immediate vicinity. Even portions of the lake bed itself have been pegged. The Western Mining Corporation also has a temporary reserve over a major portion of the lake bed. This is covered by the agreement ratified by the State Parliament.

A possible conflict of interests has therefore caused some concern and clause 10 has been designed to protect the interests of Norseman Gold Mines No Liability and, at the same time, ensure that the State does not deprive any legitimate holder of mining tenements from enjoying his reasonable rights.

From the point of view of Norseman Gold Mines, the State accepted that it was necessary to ensure that the natural flow of water on Lake Lefroy was not unreasonably restricted. The natural movement of water from north to south annually is expected to obviate the possibility of the salt deposits at the southern end of the lake being exhausted over the years.

It is also important to the company that residues or tailings from mining operations do not contaminate the salt reserves, thereby making salt from this lake unacceptable to prospective buyers. There are references to this particular point in the agreement. The Government has found it necessary, for reasons which members will appreciate, to make it clear that the Government cannot accept any responsibility for damages that might occur.

Nevertheless, the agreement sets out clearly that the Government will use its best endeavours to so negotiate and arrange with the various mining companies that there is no contamination of the salt-producing area. Even so, because of the magnitude of the operations involved, it would have been physically impossible and quite unrealistic for the Government to have given a guarantee or to have accepted the responsibility for damages. Those who know this area well will be aware that already mining activities are going on in the lake area. All of these activities have been happily negotiated between the parties concerned and this has resulted in the avoidance of contamination of the lake on the one hand, and also the avoidance of any unreasonable restriction to the flow of water.

At the Esperance land-backed berth the company will install bulk-loading facilities. These will have a loading capacity rate of 1,000 tons of salt per hour, and will be designed so that it will also be possible to load grain ships using the same equipment. This latter will be of considerable indirect benefit to farmers as grain ships, which at the present time take approximately one week to load, will be cleared in 24 hours. At least, it will be possible to clear them in 24 hours with the equipment to be provided.

Naturally the agreement provides for the leasing to the company of a stockpile area adjacent to the land-backed berth.

As to railways, the company is required to provide all the necessary locomotives and rolling stock. It is also obliged to supply the funds towards railway line upgrading, totalling $4,000,000, should new rails be used, and $3,400,000 should used rails be available for carrying out this work. There is a possibility of obtaining second-hand rails from other lines.

I think I should make it quite clear that the company will supply the locomotives and the rolling stock and these will be handed over to the W.A.G.R. and become an integral part of the equipment of the W.A.G.R., as with all the assets of the company for the operation of the line. They will become the property of the W.A.G.R. and be handed over to it for maintenance and operation. Consequently, if there is any reserve capacity it will be used for general W.A.G.R. purposes in the area, because the locomotives become an integral part of the equipment of the W.A.G.R. This is a W.A.G.R. line but we have no money to upgrade it. The company will give us the money to do that, but the assets become our property. The company will provide the locomotives and the rolling stock but they will be operated by the W.A.G.R.; and if there is a surplus at any time, the W.A.G.R. will get the benefit.

A special freight rate has been granted to the company in recognition of the contribution made by it to the railway line upgrading. In arriving at a satisfactory railway freight, the W.A.G.R. has to satisfy the Treasury that it will be a profitable operation after allowing for the normal methods of amortising, bearing in mind the company is providing the money, the locomotives, and the rolling stock.

The freight rate for the first five years will be $2.20 per ton rising to $2.25 per ton after five years. This latter rate is to apply until the end of the tenth year, or until 6,000,000 tons of salt have been transported—whichever shall first occur.

At that stage a formula for escalation will take over, having regard to the need of the railways to recover certain costs over a certain tonnage.

The wharfage charge payable is on a sliding scale commencing at 20c per ton on the first 100,000 tons, and reducing to 17.5c per ton on the second 100,000 tons in any one year, and to 15c per ton on all tonnages over 200,000 tons in any year. The wharfage charge is to be adjusted proportionately with any increases or decreases in the wharfage charge on bulk products

at Esperance. In other words, it is tied to the same variation as the official bulk products wharfage charge for Esperance.

It should be noted that, should the company take advantage of the additional berth at present being provided at Esperance, the wharfage charge will be renegotiated. That is, if the Government provides a greater depth of water at the wharf and bigger ships can be used, there will be a renegotiated wharfage charge.

The reason for this is that a special wharfage charge has been set in recognition of the fact that salt is a low value product. However, should the company use larger vessels, thereby obtaining a better freight rate, it may be expected that the wharfage rates will be increased so that they are more in line with those applying to other materials handled in bulk.

The company will pay royalties identical with those payable by other salt producers. On the first 500,000 tons in any one year, it will pay 5c per ton; on the second 500,000 tons in any one year 6.25c per ton; and on all tonnages thereafter in excess of 1,000,000 tons in any one year, 7.5c per ton.

The agreement provid also that, in future, should the price of salt increase, then rentals and royalties will also increase.

The company has also the responsibility to supply all housing required for employees.

This agreement with Norseman Gold Mines No Liability is the fifth agreement negotiated by the State related to the export of salt. Shark Bay Salt Pty. Ltd. has been exporting for three years in limited tonnages. Leslie Salt Company, which is located at Port Hedland, loaded its first ship on the 21st March, 1969. Texada Mines Pty. Ltd. loaded its first shipment of salt at its new port at Cape Cuvier on the 1st April, 1969. Dampier Salt Company has commenced construction work on its area at Dampier. It is expected that this company will have salt available for export by the end of 1970.

Salt is therefore becoming a major Western Australian industry. Exports from producing companies this year are expected to exceed 1,000,000 tons. Japanese requirements, excluding edible salt, for 1969 are expected to reach 5,500,000 tons. The demand for industrial salt is rising by approximately 10 per cent. per annum, and the Minister for Industrial Development, when introducing this measure in another place, predicted that by 1975 exports of salt from Western Australia could be in the vicinity of 4,000,000 tons, worth approximately $16,000,000.

I forget exactly what salt agreement it was, but when discussing it I related that some research had been undertaken on the uses of salt, more particularly in the chemical industries than for table purposes. I was amazed to discover the increasing uses to which salt is being applied in industry. I think it is a very good thing that the Western Australian companies, together with the Government, have been able to get into this particular market.

Although we have four previous agreements related to salt, this one is of special significance as the company does not rely on solar evaporation for the production of salt or, at least, not in the normal way we expect as in the case of Leslie Salt Company, Dampier Salt Company, and Shark Bay Salt Pty. Ltd.

It is also the only project which is not located on the north-west coast in the low rainfall belt. It is for this latter reason that I understand the Japanese salt buyers have been keen to see the project given the all clear by the State, as they will be assured of a source of supply from Western Australia, even though production from some of the other areas might be or could be reduced through cyclonic rains diluting the brines.

As will be appreciated, the enemy of the producer of salt by the solar system is rain. It could be that after a period of unprecedented heavy rain in a cyclonic belt in the north, there would be a comparatively low stockpile. It might appear to be uneconomic by comparison to take salt from Lake Lefroy to Esperance and incur the extra sea mileage to Japan, but the security factor is a consideration for reasons I have stated, and will enable this project to add to the total salt industry of the State.

This project, in addition to facilitating the loading of grains through the port of Esperance, is likely to make possible the export of other minerals from the Esperance hinterland. The upgraded railway will facilitate the movement of minerals to Esperance, while the shiploader will provide economic loading costs. A further advantage that this agreement brings is that it makes possible a new export through the port of Esperance, which has rapidly been growing in importance.

I join with the Minister for Industrial Development in paying tribute to Norseman Gold Mines No Liability. Undeterred by reverses in its pyrites operation—members of that district are aware of the difficulties the company has gone through over a considerable number of years with pyrites—it has interested itself in other diverse activities, and in spite of the best endeavours of the Government and of the company, it was at one stage thought that we would not be able to make the economics work out. But because of the special features I have mentioned, and in view of this project being in a different climatic area from the other salt projects, it was

possible to work out something mutually satisfactory to the buyers, to the company, and to the Government.

This piece of legislation will be supported by a railway Bill because there are two features concerned. One is that there is to be a spur line which, although to be built by the company, will be a W.A.G.R. line to bring the Kalgoorlie-Esperance line out to the edge of the lake. It may be necessary to include some legislation in respect of the authorisation of the construction of the link at the Esperance end to the wharf.

Mr. President, I seek permission of the House to table the plans I have referred to so that members may have access to them.

The plans were tabled.

Debate adjourned, on motion by The Hon. R. H. C. Stubbs.

CATTLE INDUSTRY COMPENSATION ACT AMENDMENT BILL

Second Reading

Debate resumed from the 16th April.

THE HON. N. McNEILL (Lower West) [4.57 p.m.]: As it has been possible to make some examination of some of the provisions contained in this legislation and in other legislation which has been recently before the House, it is not my intention to devote a great deal of time to the measure before us. However, it is desirable that some reference be made to the Bill, in view of the interest it has created in two particular aspects which are covered by it.

As outlined in clause 2, the purpose is to effect an amendment to the parent Act in relation to the definition of the term "disease" in the Dairy Cattle Industry Compensation Act. This is simply to enable the broadening of the definition of "disease" to include diseases which might come within the ambit of the Cattle Industry Compensation Act. This is consequential upon the fact that in the Exotic Stock Diseases (Eradication Fund) Bill these exotic diseases are no longer covered in compensation terms by the Cattle Industry Compensation Fund, so they have been excluded. Now we see the definition is widened to include certain other diseases—the enzootic diseases to which I previously referred.

There is an added significance about this, in that in the case of some of the diseases to which I made particular reference, brucellosis in dairy cattle is included. Some degree of emphasis has been placed on that disease in this Bill and this draws attention to the fact that more active steps will be taken in order to bring about better control, so that eventually this disease will be eradicated. This is emphasised by the fact that brucellosis, among other diseases, is being specified. I can only express my greatest support for this consideration.

Brucellosis, previously better known as contagious abortion in dairy cattle, can be alleviated by means of periodic vaccination with strain 19 vaccine. In these days the desire is to bring about not just some degree of control, but eventual eradication.

I cannot help but think that my words will ring loudly in the ears of certain members who were discussing another Bill a day or so ago in respect of pests in the fruit industry.

This Bill contains one other amendment and that is to add section 20A to the Act. This provides that where cattle have been vaccinated as the result of an order, or direction given, they will come within the ambit of compensation, and the costs involved in this procedure will be paid out of the fund. This in itself is an advance and certain necessary procedures to combat or control disease will now qualify for a payment from the fund. I think there is a parallel to this in another piece of legislation dealing with agriculture—I refer to the Potato Industry Trust Fund. Under the legislation controlling that fund payments are made for plant, machinery, and materials used for the treatment, control, and eradication of disease.

I think the additions to the Act proposed by this Bill will be welcomed and they will be of considerable benefit and at the same time facilitate the activities of departmental and other officers in their endeavours, in conjunction and in co-operation with the farming community, to bring about adequate and satisfactory control measures. With those remarks, I support the Bill.

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. L. A. Logan (Minister for Local Government), and passed.

POULTRY INDUSTRY (TRUST FUND) ACT AMENDMENT BILL

Second Reading

Debate resumed from the 3rd April.

THE HON. F. R. H. LAVERY (South Metropolitan) [5.5 p.m.]: This measure follows the two Bills which have already been dealt with—I refer to the exotic diseases Bill and the cattle compensation Bill. This legislation deals with the

poultry industry and provides for additional benefits to poultrymen where losses, other than by contagious diseases, are sustained.

I support the Bill with the same degree of enthusiasm as the other two Bills to which I have referred were supported by other members. However, in doing so I would like to draw attention to one or two aspects of the poultry industry which may be of interest to the House. There are between 130 and 150 known species of birds which spread diseases which are transmissable to man—to people like bird breeders, bird handlers, and pet owners. Such people are more susceptible to these diseases because they are more likely to come into contact with the carriers of those diseases.

The first disease to which I would like to refer is salmonella, which is found in duck eggs. Amongst the preventive measures is the thorough boiling of the eggs—not an ordinary three-minute boil, but a six-minute boil. Therefore, as can be imagined, the eggs would be really hard! To show how important this disease is, I would refer to the fact that during the war years, in a military camp in the northern parts of this State, a large number of people were affected with salmonella. This information was given to me by my friend on my right (Mr. Stubbs).

It is usual for ducks to paddle around in dirty conditions and they lay their eggs on the ground in those same dirty conditions which is in contrast to hens which lay their eggs above the ground. This outbreak of salmonella was very serious and it occurred through the use of duck eggs. The eggs can be infected either in the ovary or through the shell, but improved farm hygiene reduces contamination and cross infection.

Another disease is leptospirosis, which originated in Queensland. This disease comes from the urine of rats and is deposited on the sugar cane. Birds of the wading family, which live in the marshes surrounding these areas become very badly infected.

Plague is due to a pasteurelle pestis which is transferred from animals to man. This occurred in the black death plague that appeared in England in 1348 and again in 1894. Zoonosis in plague form can come from rabies, tuberculosis, and brucellosis, and is responsible for many of the occupational hazards associated with bird and animal handling. Anthrax is another disease which can affect carpet weavers and livestock breeders and their employees. Also, they can develop bovine tuberculosis and brucellosis. Workers in the animal, hair, and textile industries can also be affected by these diseases which can be passed on by birds, and particularly poultry.

Birds, and particularly migratory flocks, have for some time been suspected of spreading encephalitis. There is always the possibility of infection from domestic birds, such as pigeons, sparrows, and various other birds. Thank goodness, there are no sparrows in this State, but some are to be found in other parts of the Commonwealth.

Ornithosis and ovian psittacosis is severe in young ducks and turkey poults, poultry, and pigeons, and acute and chronic psittacosis is to be found in budgerigars and parrakeets, and these diseases are communicable to man and animals but may be controlled by a drug used as an additive to food. However, the diseases by which birds are generally affected are influenza and pneumonia. Fowl plague, of course, is to be found in Europe and America.

Just as a matter of interest, during the war years I was a keen breeder of turkeys, and I bred them in fairly large numbers. I found, as is quite common, that to breed good birds one had to have good stock, but it is not possible to import turkeys, or their eggs, from any country in the world. So from 1940, or thereabouts, onwards it can be said that the turkeys bred in Australia are all from Australian stock. I suppose it is possible for a person to sneak a turkey into this country, but it is not legal to import turkeys or their eggs.

Zoonosis is the epidemiology of diseases that are communicable to man from animals and birds. Therefore, it is pleasing to be able to speak to and support this very necessary measure which is an amendment to compensation fund legislation. The amendment is an agreed one between the Commonwealth and the State and has been approved by the Agricultural Council. It is a natural sequel to the Exotic Stock Diseases (Eradication Fund) Bill. The Commonwealth has agreed to contribute to this fund which will cover all exotic and enzootic diseases, such as Newcastle disease and fowl plague. I am sure it is the wish of all members that although this fund will be in existence it will not be called upon.

Before I conclude I would draw attention to the fact that although this is only a small Bill, and effects only two amendments to section 18, I noticed, on checking, that in the parent Act of 1948, there is a reference to pounds, shillings, and pence, and I thought opportunity would have been taken on this occasion to make the necessary adjustments to decimal currency. In section 17 of the Act there is a reference to 2d. That section was amended in 1951. It might not sound much, but I think it is of importance.

The Hon. L. A. Logan: I could find you another one as well.

The Hon. F. R. H. LAVERY: Also, in section 25, there is a provision for penalties for offences against the Act and there is

a reference to a sum not exceeding £50. I thought that in view of the fact that two amendments were to be made to the Act opportunity would have been taken to make the necessary adjustments to the currency references. However, I have much pleasure in supporting the Bill on behalf of those on this side of the Chamber.

THE HON. L. A. LOGAN (Upper West—Minister for Local Government) [5.15 p.m.]: I thank Mr. Lavery for his contribution to this Bill. Actually, a Bill was introduced last year to cover, in all Acts, the changeover to decimal currency. I also noticed when going through the Act myself another small amendment which should have been made. There is still a reference to the office of Under Secretary. I think that should have been altered and I will bring it to the notice of the Minister. I commend the Bill.

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. L. A. Logan (Minister for Local Government), and passed.

BANANA INDUSTRY COMPENSATION TRUST FUND ACT AMENDMENT BILL

Second Reading

Debate resumed from the 16th April.

THE HON. W. F. WILLESEE (North-East Metropolitan—Leader of the Opposition) [5.19 p.m.]: This Bill is before the House for the purpose of continuing the Act for another seven years. In the past seven years the fund has proved to be invaluable to the industry and on two occasions assessments of damage had to be made and it was necessary to pay compensation to growers.

I think it is noteworthy that despite those two occasions the fund has a credit of $88,000 in round figures. It is hoped that there will be no further call on the fund for several years, in which case the credit will build up to a substantial figure.

A new method of valuing when it is necessary to pay compensation is proposed in the Bill before us, and I would think that to the growers the new method would be preferable and will ensure equity to individuals where such equity might not have been obtained in the past. The appointment of an additional grower to the committee means that there will now be two grower representatives and I presume this will mean one grower from each organisation.

The Hon. L. A. Logan: I am not sure, but I think this is what will happen.

The Hon. W. F. WILLESEE: Although there are two organisations I think they have the same ideas with regard to the principles of conducting the industry. The Bill also contains an amendment to provide for a new size of case, which will mean a smaller contribution. I suppose this is normal as a result of the change in size of the case and apparently there is no objection to the new rate being adopted.

If I have a criticism of the measure it would be that there is no provision for an appeal by an aggrieved grower. It is understandable that in the infancy of the legislation this provision should not have been made. However, now that the formative period is over and the fund has been in existence for some seven years, I think it timely that an attempt should be made by the Government to grant the right of appeal to an individual grower. I do not think that the right of appeal would be used frequently because the valuations, with regard to bananas, follow a fairly standard procedure.

The fact that there is a right of appeal always strengthens the value of legislation when it is subject to examination. It is also noteworthy that the fund will still be supported by the Government in the same ratio as in the past, and I think it is quite reasonable. The fund still requires building up before it can stand on its own feet.

We have with us in the Chamber a member who was connected with the industry in the early days of the formation of the trust fund, and he has experienced many of the problems that have arisen through flood and cyclonic disturbances. I have no doubt he will have something to say with regard to the measure.

I hope that in the not too distant future we will see some further consideration given to a right of appeal for the grower. I support the measure.

THE HON. G. W. BERRY (Lower North) [5.24 p.m.]: I rise to support this measure. It seems to me to be good legislation as far as the district of Carnarvon is concerned. I will refer to the banana industry but there is a member in this House more qualified to do so; namely, Mr. Frank Wise who was instrumental in the establishment of the industry at Carnarvon.

The industry was established in 1930 and it has grown to the stage where, in 1968, it produced 250,000 bushels of bananas, which is of quite significant importance to the State. This production helps the interstate balance of payments.

My association with the district of Carnarvon began in 1950, and since 1954 I have been a permanent resident. During that period I have experienced a number of cyclonic disturbances which drastically

affected the area. Bananas, as a crop, are not insurable and because the area in which the bananas are grown at Carnarvon is so small virtually the whole of it is affected by any cyclonic disturbance.

The parent Act was the result of a disastrous cyclone which occurred in March, 1960, and which completely devastated the banana-growing area at Carnarvon. On that occasion a sum of $131,900 was paid by way of a grant to the growers in the district. The Commonwealth contributed $65,250 and the State $66,650. I have heard it mentioned in this House that some contributions such as these are election gimmicks, but I can assure members that the contribution in that case was an earnest effort on the part of the Government to help the growers in the district. The Government of the day had only just been elected so it would have had to be a long-range election gimmick.

The contribution by the Government, at that time, was instrumental in keeping many of the growers in the area because their income had been virtually cut off overnight. I was a recipient of part of the grant made by the Government and I will state now, on behalf of all who received such help, that it was very gratifying indeed to receive from the Government some measure of relief.

As a result of that cyclone the Minister for the North-West, at the time, suggested that to provide a guarantee against future damage, some form of contributory compensation fund might be devised. After negotiation with the growers it was agreed that the Government would contribute to the fund on a one-third two-thirds basis, and the Government would underwrite the scheme against total loss for a period of seven years. It is not an insurance scheme as some people probably think it is; it is a compensation scheme to provide the growers with some relief when their crops are damaged. A complete insurance scheme is not practicable. No company would underwrite it for the simple reason that not enough would be received by way of premiums to make it a payable proposition.

The fund was established in 1961 and came into operation in 1962. Up to the present time it has survived two cyclones —cyclone Katie in 1964, which was not of great consequence, and cyclone Elsie in 1967, when a considerable amount had to be paid out of the fund. The fund is unique as far as the banana industry is concerned and to the best of my knowledge it is the only one in existence in the world to which a Government contributes. The scheme has been examined by the Banana Growers Federation of New South Wales with a view to establishing a similar fund in that State. The popular belief is that Queensland is the biggest producer of bananas in the Commonwealth, but that is not so; New South Wales is the biggest.

I wish now to refer to the amendments in the Bill most of which are consequential. The definition of "case" has already been explained; it is a bushel container for packing bananas; irrespective of its size, it is sufficient to define it as a case.

The substitution of the word "four" for the word "three" will mean an additional grower representative on the committee. This has already been explained. It was felt that the growers did not have sufficient representation, and since they contribute the main portion of this fund it is thought they should be entitled to a little more representation in the administration of the fund. This is a good thing.

It is for the growers to decide whom they appoint. There are two organisations in the district, and no stipulation is made indicating that the member concerned should come from either organisation. I hope this works satisfactorily for the sake of harmony in the district. We should allow the growers to decide whom they propose to elect to serve on the committee.

As was mentioned, the main part of the Act which has been altered is the method of assessing the amount of compensation to be paid. In the past this method of assessment has worked to the detriment of some growers when it has been taken as an average of the entire plantation. As was explained, the smaller plants or younger plants do not suffer the same damage as do the older or producing plants which vary in age; and as they age their root structure comes closer to the surface and they become more susceptible to severe damage. These are the banana plants which produce the income for the plantation.

It seems rather unreasonable, therefore, to average the source of income over the plants that are not yet producing or bringing in an income. The amendment has been brought in to allow for each particular patch or planting to be assessed separately.

I refer now to the matter of appeal, which has already been mentioned. Machinery already exists in the Act for an arbitrator to be brought in if the growers' representative and the Government representative do not agree on the assessment. In the first place the grower makes his claim and estimates the damage he has sustained; then the two assessors—the Government representative and the assessor representing the growers—carry out their assessment which they submit to the compensation trust fund, which makes the final decision. If these two people agree I do not see very much point in the grower being given a right of appeal against the assessment. The assessment that is made at the time the damage is done must of course be considered when calculating the amount of money to be paid, but it is

a much more complicated procedure in assessing an amount of money because the average production per acre must be taken into consideration and this is then brought into account with the amount of damage sustained on the plantation.

If two people can agree—and I now refer to the growers' representative and the Government representative—on an assessment of damage, there is not much point in having a further right of appeal. If they do not agree, an arbitrator can be called in by the Minister. I think it will only complicate this situation by having a further right of appeal.

I am rather critical of the administration of the Act inasmuch as the committee, as it is formed, has been at fault in not keeping a complete set of records. On each occasion damage has been sustained there has been a general flap to obtain the information necessary to get the assessments out. I suggest the Minister take steps to ensure that the records are maintained and kept up to date, because this would further facilitate assessment and the growers would know a lot quicker what they were up for.

A further criticism I have to offer is that the Government members of the Banana Industry Trust Fund Committee make decisions without consulting the grower member. Although the Act might define what a quorum for a meeting should be, I do feel that in future the grower representatives should be consulted before any decisions are taken and passed on to them. This is only right and fair.

This is a good Act and it has served the district well. It is one of which a lot of people are envious, and it is one that has helped the district considerably. I, for one, have participated in the fund since its inception, and I am very grateful to the Government for establishing it. I think it is one of which the members of any banana industry can be envious.

In conclusion I would like to add that I am very pleased to hear that some action is being taken to stabilise a water supply for the banana-growing area. That gives me great heart, because without a stable water supply in that area it is quite likely that this legislation will become redundant.

THE HON. G. E. D. BRAND (Lower North) [5.38 p.m.]: I wish to support the amendments contained in the Bill. We have all heard what Mr. Berry had to say and he is an expert in these matters. There would be little point in trying to elaborate on the facts he has mentioned.

There is one matter, however, to which I wish to refer and this was raised by Mr. Willesee. I refer to the right of appeal. I have with me a copy of a letter dated the 14th July, which was written to the Minister for Agriculture setting out the amendments desired by the growers in Carnarvon. This letter contains no reference to a right of appeal. It is possible the growers are not interested in this right of appeal. I dare say, however, they feel that any action that might be taken would be the result of discussion.

I sincerely support the amendments in the Bill, and I thank the Minister for having them incorporated in the Act.

THE HON. L. A. LOGAN (Upper West —Minister for Local Government) [5.39 p.m.]: I think there are only two points on which I need comment. The first is the lack of records kept by the committee. It is possible the growers have not been consulted sufficiently in the past, but with two grower nominees on the committee the difficulty should be overcome. If records of past assessments have not been kept, somebody has certainly been very remiss. Such records would greatly help with future assessments.

The other matter to which I wish to refer is that dealing with the right of appeal. If Mr. Willesee looks at section 26 of the Act he will find that what Mr. Berry said is true; that once a grower assesses his own damage he passes that assessment on to the committee, which has one representative from the growers and one from the Government.

The Hon. G. W. Berry: They are the assessors.

The Hon. L. A. LOGAN: But the grower does his own assessment. So we have two assessments made. If the assessors cannot agree on an assessment they have the right to ask for an independent arbitrator, who is appointed by the director. Accordingly, by the time the third assessment is made there would be no room for doubt as to the damage sustained. I thank members for their support.

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. L. A. Logan (Minister for Local Government), and passed.

House adjourned at 5.44 p.m.