

There is some technical doubt as to whether the board has the right to do so because in section 20 its rights are prescribed only in relation to persons seeking admission and not to persons seeking re-admission. As the Minister explained, this short Bill seeks to clarify a doubt that exists; and, obviously, if there is a doubt it should be cleared up. As this is a worthy Bill I propose to support it.

Debate adjourned, on motion by The Hon. J. G. Hislop.

## ADJOURNMENT OF THE HOUSE: SPECIAL

**THE HON. A. F. GRIFFITH** (Suburban—Minister for Mines) [5.37 p.m.]: I move—

That the House at its rising adjourn until Tuesday, the 10th September.

Question put and passed.

*House adjourned at 5.38 p.m.*

# Legislative Assembly

Tuesday, the 3rd September, 1963

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

## MARINE STORES ACT AMENDMENT BILL

*Assent*

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

## QUESTIONS ON NOTICE

### PROBATE OR ADMINISTRATION

*Applications from 1951 to 1962*

1. Mr. EVANS asked the Minister representing the Minister for Justice:

How many applications for probate or administration were made pursuant to section 55 of the Administration Act, 1903-62, in each of the years 1951 to 1962 inclusive—

- (a) direct to the master;
- (b) to the district agent?

Mr. COURT replied:

A search of the records of the court discloses that from 1951 to 1962 (inclusive) the number of

applications under section 55 of the Administration Act, 1903-1962, were:—

Year	Direct to Master	To District Agent
1951	187	19
1952	165	18
1953	178	12
1954	175	11
1955	173	10
1956	153	10
1957	129	12
1958	108	14
1959	107	5
1960	120	15
1961	102	9
1962	95	10

### PASTORAL LEASES

#### *Stations Visited by Committee*

2. Mr. NORTON asked the Minister for Lands:

(1) How many stations were visited by the Pastoral Leases Committee in each of the following shires:—

- (a) Gascoyne-Minilya;
- (b) Shark Bay;
- (c) Upper Gascoyne;
- (d) Murchison?

(2) In each case, how many were—

- (a) owner-managed;
- (b) owned by absentee leaseholders?

(3) Were the stations visited by the committee the same as those detailed in appendix F of the committee's report?

Mr. BOVELL replied:

(1) The report indicates that in each of the shire districts mentioned the following stations were visited:

Gascoyne-Minilya Shire District: "Minilya" station;

Shark Bay Shire District: Nil;  
Upper Gascoyne Shire District: Nil;

Murchison Shire District: "Boolardy" station and "Woolleen" station.

(2) "Minilya"; "Boolardy", and "Woolleen" stations are owner-managed.

(3) The committee is unaware of the names of the stations detailed in appendix F of the committee's report.

#### *Situation of Stations*

3. Mr. NORTON asked the Minister for Lands:

Will he state the name of the shire in which each of the 40 stations, enumerated in appendix F of the report on pastoral leases, is situated, giving same the order in which they appear in the appendix?

Mr. BOVELL replied:

The names of the stations enumerated in appendix F of the report on pastoral leases are not recorded. As indicated in paragraph 42 of the report, the information was obtained confidentially and the names were not made known to the committee.

### PUBLIC TRUST AND STATE INSURANCE OFFICES

#### *Branches in Fremantle*

4. Mr. FLETCHER asked the Premier: With a view to preventing time, travel and other inconvenience to the citizens of Fremantle and suburbs, will he consider having branch offices of—

(a) the Public Trustee;

(b) the State Government Insurance Office

established in that city?

Mr. BRAND replied:

(a) It is considered that the cost of establishing and administering a branch of the Public Trust Office at Fremantle is not warranted at present.

(b) Citizens of Fremantle and suburbs wishing to pay premiums on State Government Insurance Office policies may do so at present through the local clerk of courts.

### TRAFFIC OFFENDERS

#### *Penalty Discrimination in Children's and Police Courts*

5. Mr. FLETCHER asked the Minister representing the Minister for Justice:

(1) Am I correctly informed in regard to what appear to be the following anomalies:—

(a) That a 17-year-old traffic offender's case is heard in the Children's Court;

(b) that the penalty of a fine is not less than £2 plus costs;

(c) that the juvenile acquires a police record as a consequence of his conviction in the Children's Court;

(d) that such a record could prejudice employment and other prospects in later life;

(e) that an adult offender's minimum fine is £1 without costs, without record?

(2) If discrimination is evident in any of the respects above will he consider the removal of any such anomalies?

Mr. COURT replied:

- (1) (a) All traffic offences by persons under the age of 18 years are dealt with by the Children's Court except those summoned to traffic lectures.
- (b) Any penalty imposed is at the discretion of the court hearing the charge, but it cannot exceed the maximum laid down for the offence.
- (c) All convictions in the Children's Court are recorded by the police.
- (d) Police records are confidential and not available to anyone else, including prospective employers.
- (e) Certain traffic offences by adults are deemed minor offences for which a penalty of £1 is fixed irrespective of record. Such offences are not recorded.
- (2) It is possible that a juvenile could be fined more than an adult for the same type of traffic offence; but as section 20 of the Child Welfare Act provides that a children's court shall exercise exclusive jurisdiction in respect of all offences alleged to have been committed by children, juveniles cannot be dealt with under the minor traffic offences regulations.

## TEACHERS' TRAINING COLLEGES

*Intake from Metropolitan and Country Areas from 1956 to 1963*

6. Mr. HALL asked the Minister for Education:
  - (1) What was the intake of students to metropolitan teachers' training colleges for the years 1956-57 to 1962-63?
  - (2) What percentage of students over each of those years came from—
    - (a) the metropolitan area;
    - (b) country areas?

Mr. LEWIS replied:

- (1) and (2) The figures are as follows:—

Year	Intake to Both Colleges	Percentage from Metropolitan Area	Percentage from Country Areas
		%	%
1956	440	61	39
1957	471	57	43
1958	525	64	36
1959	549	64	36
1960	634	63	37
1961	607	86	34
1962	623	61	39
1963	593	67	33

## TIMBER INDUSTRY

### Subsidy

7. Mr. HALL asked the Minister for Forests:
    - (1) Does the timber industry of Western Australia receive a subsidy to enable it to compete successfully with imported timbers?
    - (2) If no subsidy is paid to the timber industry, is a duty imposed on imported timber to protect the industry?
- Mr. BOVELL replied:
- (1) No.
  - (2) Yes.

## KALGAN BRIDGE

### Plans, Commencement, and Height

8. Mr. HALL asked the Minister for Works:
  - (1) Have plans been completed for the building of a new Kalgan bridge, Albany?
  - (2) When is it contemplated that work will commence on the new Kalgan bridge, and what is the expected completion date?
  - (3) Has consideration been given to the height of the new bridge, bearing in mind the flood conditions of past years?

Mr. WILD replied:

- (1) Preliminary planning has taken place, but further investigations are required before detailed plans can be completed.
- (2) Construction is expected to commence during the 1964-65 financial year with a period of construction totalling about nine months.
- (3) The designed height of the bridge will take into account flood levels experienced in past years.

## DENTAL UNIT IN KIMBERLEYS

### Appointment of Additional Dentist

9. Mr. RHATIGAN asked the Minister for Health:

As one dentist and his unit cannot cope with the dental requirements of the Kimberleys, what action has he taken to secure a second dentist for this area?

Mr. ROSS HUTCHINSON replied:

From time to time visiting dentists will be sent to deal with work in the eastern part of the Kimberleys. It is hoped ultimately to station a dentist in that area.

**NORTH-WEST ADMINISTRATOR***Date of Residency at Derby*

10. Mr. RHATIGAN asked the Minister for the North-West:

(1) When will Mr. McGuigan, the Administrator for the North-West, take up residence in Derby?

*Appointment of Assistant*

(2) Is it the intention of the Government to appoint an assistant administrator? If so, when will the appointment be made, and where would he reside?

Mr. COURT replied:

- (1) When suitable office accommodation and residence is available. Plans are nearly finalised ready for calling tenders immediately.
- (2) Yes. Applications are now being considered and on present plans the appointee will reside in Derby.

**CHILDREN'S HOMES***Increased Government Assistance*

11. Mr. JAMIESON asked the Treasurer:

(1) Has any determination been arrived at by the Government with respect to increasing the Government assistance to such institutions as Sister Kate's Home and Castledare?

(2) If so, what are the new proposed rates of assistance?

Mr. BRAND replied:

(1) and (2) This matter is still under consideration. It is expected that the institutions will be advised of the new proposed rates of assistance some time this week.

**SALES TAX CONCESSIONS***Effect on Peters Ice Cream Co. Shares*

12. Mr. TONKIN asked the Minister for Labour:

(1) Has he noticed that since the announcement by the Federal Government of sales tax concessions, intending buyers of Peters Ice Cream Co. shares have been making increased offers with sellers hard to find?

(2) Is it true, as has been reported, that on "money spinning bulk ice-cream Peters and the retailer have split the benefits"?

*Benefit to Buying Public*

(3) As it is reported that the result means 6½ per cent. on every ice-cream cone, or something in the order of 1s. in the pound on total turnover, does he not think that something should be done to ensure that the benefit of sales tax

concessions is made available to the buying public and not used, as in this case, to increase profits?

(4) What action does he propose to take?

Mr. WILD replied:

(1) I have been informed that there has been a steady demand for Peters Ice Cream shares for some considerable time and it is in no way related to the sale tax concession recently given by the Federal Government.

(2) to (4) I am unaware of any arrangements made in regard to the splitting of benefits as referred to by the honourable member, but I do understand that the price of ice cream has not increased since 1956. With the obvious competition that there now is between the companies manufacturing ice cream in Western Australia the question of price will without doubt look after itself.

**WEST AUSTRALIAN NEWSPAPERS LTD.***Grip on Press and Television Media*

13. Mr. DAVIES asked the Minister representing the Minister for Justice:

(1) Has he received from the Federal Attorney-General any request for the co-operation of the State Government in supplying details of trade association activities, restrictive trade practices and monopolies in Western Australia, in order that the Federal Government may be assisted in drawing up appropriate legislation to control business malpractices?

(2) If the request has been received or is received in the future, will he consider referring to the Federal Attorney-General the serious position posed by the grip which West Australian Newspapers Ltd. has over Press and television media in this State?

(3) Will he point out to the Federal Attorney-General that, in addition to ownership of both daily newspapers in Perth and control of TVW Ltd., West Australian Newspapers recently extended its control to most of the country newspapers in the south-west by its acquisition of a controlling interest in the South-Western Times Printing and Publishing Company?

(4) Will he also inform the Federal Attorney-General that, through the South-Western Printing and Publishing Co.'s wholly owned publication *Margaret-Bussetton*

*Times*, West Australian Newspapers Ltd. is attempting to eliminate a surviving independent newspaper competitor at Busselton?

- (5) Will he also take steps to inform the Broadcasting Control Board at its imminent hearing into allocation of a commercial television transmitting license for Bunbury that the control by West Australian Newspapers of TVW Ltd. and the applicant group for the Bunbury license would, in view of the company's already wide influence over media of communication in this State, be contrary to the public interest?

Mr. COURT replied:

- (1) Although the Federal Attorney-General has asked for the concurrence of the Western Australian Government in a proposed scheme of legislation, he has not asked the State Government for any advice on the matter.
- (2) It is a matter of opinion as to whether the position is as stated. The Commonwealth is capable of making its own investigation and decision on a matter of this kind.
- (3) and (4) The Government has no control over what appears to be, from the information stated in the question, a legitimate business transaction.
- (5) Allocation of television licenses is a matter for the Broadcasting Control Board and it is the responsibility of the Control Board to inform itself on matters like this and no doubt the board will consider the merits of each application which comes before it.

#### GRAVEL ON PRIVATE PROPERTY

##### *Compulsory Free Supply to Local Authorities*

14. Mr. I. W. MANNING asked the Minister representing the Minister for Local Government:

Will consideration be given to amending the Local Government Act to overcome an anomaly whereby an owner of land is forced to supply gravel within one mile of his property, free of cost, to the authority taking the same?

Mr. NALDER replied:

The provisions of section 281 of the Local Government Act dealing with the taking of gravel are being given consideration and it is proposed to make an amendment this year which will give some relief to landowners.

#### TRAIN SERVICE TO MERREDIN

##### *Changeover to Road Buses*

15. Mr. KELLY asked the Minister for Railways:

- (1) What number of diesel-electric trains per week will be replaced by road buses—  
(a) Perth-Merredin;  
(b) Merredin-Perth?
- (2) What number of weekly trips by road will be made each way?
- (3) Is the road bus service regarded as likely to effect a financial saving to the department?
- (4) What would be the average total cost per trip to Merredin or *vice versa* by diesel-electric trains?
- (5) What is the anticipated cost per trip in operating road buses—  
(a) Perth to Merredin;  
(b) Merredin to Perth?
- (6) Is it anticipated that a single road bus per trip will handle all the business offering?
- (7) Will a motor truck for the transport of goods be run as well as a passenger bus on each day when the new service is conducted?
- (8) Is he satisfied that a road bus service will provide a greater degree of passenger comfort?
- (9) Is it the policy of the Government to replace, wherever possible, rail services with road transport?

Mr. COURT replied:

- (1) (a) Six.  
(b) Six.
- (2) Six.
- (3) Yes.
- (4) The average cost is £75 16s. per trip. This amount includes all overheads but does not include costs for staff at stations.
- (5) (a) and (b) £21 1s. 1d.
- (6) No. The existing service between Perth and Northam will be included in the new working. In accordance with normal practice, additional buses will be supplied when the traffic demands them.
- (7) This is under consideration.
- (8) Yes. The modern buses with toilets and reclining seats will reduce the journey by 1½ hours.
- (9) Only where it is more economic and gives a better service to patrons.

**GOVERNMENT VEHICLES***Fitting of Safety Belts*

16. Mr. CROMMELIN asked the Minister for Transport:

- (1) Has he conferred with the Treasurer with a view to having safety belts installed in all Government vehicles?
- (2) If so, has it been agreed to provide these belts?
- (3) How many Government cars have been fitted with them?
- (4) If not all, when will the balance of the cars be provided with safety belts?

Mr. CRAIG replied:

- (1) and (2) Yes.
- (3) This information is not readily available but in 1962 it was estimated that 1,430 cars and 230 utilities would be fitted.
- (4) All new cars and utilities are being fitted.

**LOCOMOTIVE WORKS AT KATANNING***Effect of Government Policy on Employees*

17. Mr. HALL asked the Minister for Railways:

- (1) How many W.A.G.R. employees are stationed at the locomotive works, Katanning?
- (2) Will the increased dieselisation programme as envisaged by the W.A.G.R. bring about reduction of locomotive staff at Katanning?
- (3) If so, how many employees will be affected, and what are their respective categories?
- (4) If W.A.G.R. employees are to be affected by railway policy, what compensation will be made to employees who have purchased their own homes and who are purchasing homes?
- (5) Has the Government given consideration to the impact of such a move on the industrial and commercial life of Katanning, and if so, does it intend to take measures to stabilise employment in the town affected?
- (6) Will the traffic section of the W.A.G.R. stationed at Katanning be likewise affected, and, if so, how many employees will be involved in the action?

Mr. COURT replied:

- (1) 53.
- (2) The dieselisation programme now envisaged will not bring about a reduction of locomotive staff at Katanning.

(3) Answered by No. (2).

(4) It is a condition of employment in the W.A. Government Railways that staff reside where they are employed and in consequence compensation would not be payable.

(5) This is a matter always under review by the Government. Progressive improvements in the railways will inevitably bring changes and every effort is made to anticipate them and keep dislocation to a minimum.

(6) It is not anticipated that traffic staff at Katanning will be affected by the dieselisation programme.

**UNLAWFUL OFFENCES***Number and Apprehensions*

18. Mr. D. G. MAY asked the Minister for Police:

- (1) For the periods June, July, and August, 1963, will he indicate the number of unlawful offences which have been reported to the Police Department in the following areas:—
  - (a) Manning-South Como-Koonawarra;
  - (b) Gosnells;
  - (c) Maddington;
  - (d) Kenwick;
  - (e) Thornlie-Canning Vale;
  - (f) Riverton-Rossmoyne; and
  - (g) East Cannington?
- (2) Will he also indicate how many persons have been apprehended in each area, together with details of the offences?

Mr. CRAIG replied: The figures are—

	Question (1)			Question (2)	
	June	July	Aug.	Arrests	
(a) Manning	2	6	3	Stealing	3
South Como	2	3	2	Drunk	2
Koonawarra	1	...	...	NIL	...
(b) Gosnells	5	6	3	Stealing	2
				Incest	1
				Idle and Disorderly	2
(c) Maddington	3	1	2	False Report	1
(d) Kenwick	1	1	1	Stealing	3
(e) Thornlie-Canning Vale	2	1	1	NIL	...
(f) Riverton-Rossmoyne	3	3	3	False Name	1
				Impersonating Police	1
				Drunk Driving	1
				Stealing	2
(g) East Cannington	6	4	3	Stealing	1
				Drunk Driving	1
Totals	25	25	18		21

**QUESTIONS WITHOUT NOTICE****PASTORAL LEASES***Situation of Stations*

1. Mr. NORTON asked the Minister for Lands:

With reference to the answer given to question No. 3 on today's notice paper the Minister

for Lands stated that the names of the stations from which appendix F was compiled are confidential. I was aware of that. What I asked him was this: Would the Minister state the name of the shire in which each of the stations was situated?

Mr. BOVELL:

The locations of those stations are not known to the committee or to the department. I thought I made that clear. The information was given confidentially, and the paragraph was mentioned in the reply I gave; namely, paragraph 42.

### OBSERVATORY SITE

#### *Noise from Earth-moving Equipment*

2. Mr. HEAL asked the Minister for Works:

Can the Minister give the exact date when the earth-moving work being carried on at the Observatory site will be completed, in respect of the night shift?

Mr. WILD replied:

The contractor has advised that it will be completed on the night shift of the 15th September. I can advise the honourable member that, in order to minimise the noise, arrangements have been made for the trucks, which are now proceeding along Havelock Street to proceed along Harvest Terrace when Parliament is not sitting.

Mr. Heal: Will the Minister request the company that, even when Parliament is sitting, the trucks still proceed along Harvest Terrace?

Mr. WILD: I shall give consideration to that request. This work is being done under contract and we cannot interfere too much with what the contractor is doing. However, I shall have a further word with him.

### DESALINATION PLANTS

#### *Inspection by Premier on Overseas Tour*

3. Mr. JAMIESON asked the Premier:

During the course of his plagiarising overseas tour did he inspect any water desalination plants which showed possibilities of economic use for irrigation purposes in this State?

Mr. BRAND replied:

I did not actually inspect the processing works, because in the main they were too far from the actual

centre of our arranged schedule, and we were advised that no good purpose would be achieved by simply looking at this processing. We followed the line of discussion with the heads of this department and with the specialists concerned in this type of investigation in America and Germany. It will be some time before it will be an economic proposition to even distil seawater, in order to compete with the conditions that apply with the supply of water in, say, Kalgoorlie.

The Americans have progressed to a point where certain small units for distilling water may resolve the difficulty for individual isolated settlers, where no fresh water is available, and for, perhaps, small towns in which it may be economical to establish a small unit for distillation.

### ADDRESS-IN-REPLY: TWELFTH DAY

#### *Amendment to Motion*

Order of the day read for the resumption of the debate, from the 29th August, on the following motion by Mr. Mitchell:—

That the following Address be presented to His Excellency the Lieutenant-Governor in reply to the Speech he has been pleased to deliver to Parliament:—

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

*To which Mr. Cornell had moved an amendment:—*

That the following words be added to the motion:—

but wishes to express concern at the increased volume of overseas investment introduced for the sole purpose of taking over established Australian enterprises and industries.

#### *Point of Order*

Mr. CORNELL: Apart from the fact that I have no right of reply—

The SPEAKER (Mr. Hearman): Is this a point of order?

Mr. CORNELL: Yes. I now find that if the amendment before the Chair is dealt with by the Chamber it cannot be raised again in debate this session because Standing Orders will not allow a question

which has been decided to be raised again. For that reason, and several others which I made abundantly clear elsewhere, I desire the leave of the House to withdraw the amendment standing in my name.

The SPEAKER (Mr. Hearman): Is it the wish of the House that leave be granted?

Labor members: No.

The SPEAKER (Mr. Hearman): There being a dissentient voice, leave is withheld.

*Debate (on amendment to motion)  
Resumed*

The SPEAKER (Mr. Hearman): Is there a seconder to the amendment?

Mr. HAWKE: I will second it.

The SPEAKER (Mr. Hearman): The question is that the amendment be agreed to.

MR. HAWKE (Northam—Leader of the Opposition) [4.51 p.m.]: I would like to say a few words in support of this amendment to the Address-in-Reply. I would have thought that a spokesman for the Government would say something either for or against it, or in neutral, because it is an addition to a Government motion moved by one of the Government's own members in connection with the Speech with which His Excellency the Lieutenant-Governor and Administrator was pleased to open Parliament this session. But as the Government does not at the moment appear to have any view for, against, or in between in relation to the proposal by the member for Mt. Marshall to add those words to the motion—

Mr. Lewis: You are seconding it?

Mr. HAWKE: Yes.

Mr. Lewis: Are you not entitled to speak in support of it?

Mr. HAWKE: Not necessarily immediately.

Mr. J. Hegney: The Speaker was going to put the amendment.

Mr. HAWKE: The essence of what has been proposed by the member for Mt. Marshall is tremendously important—probably more important to Australia as a whole than to Western Australia as a separate State. However, the member for Mt. Marshall, in the wording of his addendum, has covered the situation in respect of the whole of Australia. He asks the members of this House to express concern at the growing practice of overseas companies buying out established industries and enterprises in Australia.

I should hope that every member of this Assembly shares the concern which was expressed by the member for Mt. Marshall

when he discussed this subject in his Address-in-Reply speech. We all know there is a great amount of investment capital in several countries of the world which is always watching for the best possible opportunities irrespective of the countries in which they occur. In other words, capital which is waiting for an opportunity for investment does not necessarily worry very much as to whether the investment which arises occurs in Australia, New Zealand, or any other country which has a reasonable degree of stability.

Therefore, if American capital is available in large volume for investment and those who control that capital see a very good opportunity to invest the money, or portion of it, in Australia by taking over an already established industry or enterprise, there is no hesitation on the part of those concerned in making the necessary approaches and in making what is undoubtedly to the owners of the industry or enterprise a wonderfully good offer; and in most instances, of course, such offers are accepted.

I think this process is being encouraged and speeded up by the fact that there is going on in Australia today a process of the larger groups of capital using their capital to take over existing smaller undertakings. When I use the term "smaller undertakings" I do not mean to convey that those smaller undertakings are small and comparatively insignificant. As we know, there have been some rather sensational takeovers in Australia in recent years; and some of the takeovers have been of industries and enterprises of substantial assets, which have been built up over the years from very small beginnings until they have reached a stage where they are very substantial and very powerful.

We know that when a very large financial offer is made to the owners of an industry or enterprise and the offer is indeed most attractive, it is very difficult for the owners to resist what might be called a temptation to dispose of their business at a wonderfully remunerative figure and shed themselves of all the responsibilities and all the worries of carrying on that concern and maybe for expanding it further in the years ahead.

Well, now, when a large capitalistic concern in Australia takes over another large concern there is even in that situation warrant for worry, because as that practice continues it is not difficult to see sufficiently far into the future to know that enterprise and industry generally in Australia are going to be concentrated into fewer and fewer hands. When ownership and control of industry are concentrated into fewer and fewer hands, then those who will dominate industry and enterprise in this country in the future will become ever so much more powerful.

*Point of Order*

Mr. O'CONNOR: On a point of order, I would like to draw attention to Standing Order No. 181 which reads as follows:—

An Amendment to any Motion before the House must, for purposes of record, be in writing, and be signed by the proposer.

I believe the amendment before the House has not been signed by the proposer.

The SPEAKER (Mr. Hearman): In connection with this matter I would like to explain that the amendment was handed up to me in writing from the mover. It was not signed, but I have no doubt that it came from the member for Mt. Marshall. Quite frankly, I have never had an amendment signed by anyone since I have been the Speaker. I presume the honourable member is questioning whether the amendment is orderly or not, is that it?

Mr. O'CONNOR: Yes.

*Speaker's Ruling*

The SPEAKER (Mr. Hearman): I think in this particular case I cannot accept the point because it should have been taken at the time the amendment was handed in.

Mr. W. Hegney: The member for Mt. Lawley was asleep at the time.

Mr. HAWKE: I am sure that if the fingerprints on the paper which was handed in by the member for Mt. Marshall could be studied together with the fingerprints taken from the honourable member, they would be found to be identical.

*Debate (on amendment to motion)  
Resumed*

I was pointing out that if the practice which is going on in Australia of very large concerns taking over other large concerns continues, terrific power and influence and capital will be concentrated increasingly into fewer and fewer hands. This will mean in the not too far distant future that those controlling industry will be in a dominating position in relation to industry generally. They will be able to impose their will upon everybody who handles their products. They will be able to dictate the conditions upon which goods will be sold. They will be able to dictate as to who will have the right to handle the goods; and I have no doubt that they will also increasingly influence and dominate Governments; and, where they are able to do so, influence Parliaments, and if possible influence and dominate both Governments and Parliaments most unfairly and in a manner to benefit themselves.

That would react, undoubtedly, to the detriment of the public generally and create a situation in Australia from which it would be difficult to safeguard the public

in the years to come. As I said, that situation would be as bad as anybody could wish it to be. However, it could be worsened considerably if capital coming into Australia from overseas, and owned by overseas interests—in many instances by foreign interests—were to buy up established industries and established enterprises. The situation would be made worse by the additional fact that most of the financial profits which would be taken from the people of Australia by such industries would not remain in Australia, but would be remitted to other countries in which the people concerned were located.

So there is every justification for the expression of concern at the situation which has already developed in this regard to some extent, and which is likely to gain momentum unless Parliaments in Australia—and Governments in Australia—and the public generally in this country, are aroused to a sense of the dangers which are inherent in this situation. I realise that State Governments in Australia have not very much control over a situation of this kind. However, there is every justification for members in State Parliaments to express their views and their concern and to have those views and that concern conveyed to the Federal authorities at Canberra in order that they might take such action as is considered necessary and effective to reduce this situation to a minimum.

We already know, from what we have read in the newspapers, and from what the member for Mt. Marshall said in his speech about this matter, that at least one Minister of the Federal Government is extremely concerned about the subject. I refer, of course, to the Federal Minister for Trade, The Hon. John McEwen. On more than one occasion in recent months he has made most forthright statements on this subject, and has exposed the dangers of the situation in most clear-cut terms to the people of Australia. It is a bit unusual—indeed, it is very unusual—for the Minister of a Government to speak strongly in public on a subject of this nature as the Federal Minister for Trade has done.

I have no doubt at all that at meetings of the Federal ministry he has, from time to time, expressed his worry, his ideas, and his fears in this matter, and appealed to the Federal ministry to take some effective action in the matter. The fact that he is carrying on his campaign in public trying to arouse the public to a realisation of the dangers involved, seems to me to be a clear indication that he has not succeeded in convincing a sufficient number of his Cabinet colleagues to have the effective action taken which he thinks should be taken to remedy the situation.

So it is clear the Federal Minister for Trade is indirectly, at any rate, appealing for assistance from anybody in Australia

who is in a position to help him and is willing to help him. Therefore, there is every warrant for the members of this Parliament to support the proposed addition to the motion before us, that proposed addition having been moved by the member for Mt. Marshall.

I agree with the words proposed to be added to the motion. They do not amount to any censure of the State Government, because the State Government, as such, is not in a position to do anything effective about this matter by way of its own administration or even by way of legislation through this Parliament. All the State Government of Western Australia—or any other State Government for that matter—could do within its own constitutional rights would be to make such representations to the Federal Government as might be considered appropriate. The only other action which State Governments could take in the matter would be by way of approach, maybe, to the owners of any local industries or local enterprises to which offers might be made, from time to time, from overseas capitalistic groups. Even in that situation the members of a State Government might not know in time that such an approach had been made. They might not have a reasonable opportunity of trying to persuade the local industry or the local enterprise—even if they were inclined to do so—not to sell the undertaking to foreign interests or overseas interests.

I think it is a great pity that industries and enterprises built up in Australia over many years by Australians, and by others who have come to this country from other countries, could be sold out to overseas interests mainly because of the marvelous financial offers which these wealthy overseas interests are in a position to make. I know that any person or any group of persons which is responsible for building up an industry or an enterprise to any substantial proportion has a great pride of achievement and a great pride in ownership, and normally would be anxious for that enterprise or industry to be continued within, perhaps, the family group or within the company group which had been responsible for pioneering the industry and expanding it to considerable proportions.

Nevertheless, as I said earlier, we know how very tempting a large financial offer can be when it is made. I have no doubt that when those overseas interests, which control tremendous volumes of capital, see an industry or an enterprise in Australia which they believe has a very profitable future, they would not hesitate to offer double the present-day value, or perhaps even treble the present-day value of the undertaking in order to take over the ownership. It would be a bad day and a sad day for Australia generally if our major industries were, from time to time,

to be taken over by interests outside Australia. It would be a bad day from our point of view as Australians and from many other angles, some of which I have already dealt with.

Therefore, Mr. Speaker, I think all members of the House, with every justification and without any embarrassment whatsoever, should support the addition of these words to the motion, and I have much pleasure in indicating my own support of them.

**MR. J. HEGNEY** (Belmont) [5.12 p.m.] : I propose to support the amendment because I think, as an Australian, that it is worthy of support. I support it for the reasons which have been enunciated by the member for Mt. Marshall and the Leader of the Opposition. Australians, as such, and their industries and concerns, should not be bought out by overseas interests. All of us know that within the last few years there has been considerable agitation in Canada in connection with the fact that American vested interests practically have the Canadian industries by the throat. As a matter of fact, there was trouble in that particular country on this very issue at the last election.

It is difficult for any country to free itself from the grasp of vested interest. As the member for Mt. Marshall has stated, a leader in the Federal sphere has been making public statements, and at a Country Party conference referred to the fact that he was concerned, in his capacity as a senior Federal Minister, that these trends are taking place in Australia.

It appears to me that all this amendment does is to express grave concern that these things are occurring. Therefore, as a member of this Parliament and as an Australian, I feel I can give full support to it.

We know that when the great General Motors Holdens industry was established in this country—I believe it was invited to establish itself here by a Labor Government—it was not overseas capital that was used at all. The capital was made available by banks in Australia.

But the venture became so fruitful and so profitable that the shareholders started to draw off the profits to America. We know that subsequently the few Australian shareholders were bought out by the American shareholders, and we also know that each year approximately £12,000,000 to £15,000,000 in profits is drawn by Americans from the industry producing motorcars in Australia.

What is happening in connection with General Motors Holdens is happening with other industries. As a matter of fact, almost every time one picks up a newspaper one sees that orthodox economists are referring to this phenomenon taking place in our midst, and urging Governments, both State and Federal, to take

cognisance of the situation and to try to control it so that Australian industries will not become wholly owned by shareholders in other countries.

It is rather ironical that while the Premier has been abroad endeavouring to induce overseas investors to come here—investors from America, Europe, and the United Kingdom—one of his own supporters should be so concerned about the position that he thought it his duty—and he would not have done it if he had not felt it his duty—to move an amendment regarding the position.

This sort of thing is happening on a small scale even in the city of Perth. It is only small as compared with what is happening throughout the Commonwealth, but it is causing just as much concern to consumers; and I refer to the takeover in the bread industry. All the small bakers are being gradually taken over and brought under one combine. That is causing an increase in the price of bread, which is important to wage earners, and indeed the whole community.

The amendment is important from an Australian point of view. The Commonwealth Government has control over the finances of the nation, banking, and other matters, but apparently it has done nothing about seeking authority to move in the direction indicated by the amendment. It has certainly done nothing up to this stage, and even one of the Federal Ministers has not been able to do anything about making the Commonwealth Government act in this regard. I know the Commonwealth Treasurer tried to answer Mr. McEwen when he asked certain questions about the matter, but he was unable to give a sufficient and correct answer.

I think that, as Australians, we should express our concern, because we know that more and more industries are being taken over, and are being placed in fewer and fewer hands. I would say that 80 per cent. of the Australian public comprises workers depending on work in industry, and with the increase in takeovers they will be under the servitude of bosses who live in other parts of the world. Therefore, as an Australian, I want to express my opposition to any such proposal.

The onus is on the Commonwealth Government, to take action, and the State Government should support the Commonwealth Government in any proposals it might wish to take in this direction. For instance, the oil companies are opening up in this country, and we know how powerful they are and the struggle that has taken place in America between the companies and the Government over the last 50 years. There has been a good deal of trouble over the anti-trust laws of America.

The great Standard Oil Company has been fighting the American Government over the years to try to prevent it from

interfering with the company's affairs. Only recently, during the Kennedy Administration, an edict was issued regarding the electrical industries. Companies were acting in collusion in connection with tendering for work on American armaments. The President of America told them straight where they stood and they had to withdraw from the position they were creating.

So this question is one of great importance, particularly to our own country. Ever since I have been in politics this matter has been under discussion, but gradually it is coming more and more to a head. The Premier and others have been going around the world seeking people who will invest money in this State. We have Japanese business men interested in our iron ore. We know the attitude that was adopted towards the Japanese only a few years ago. Now we propose to accept them almost as our own brothers and give them the best of everything. Personally I am opposed to that type of thing.

I think the amendment has a great deal of merit, and the member for Mt. Marshall should receive the full support of all members. I certainly support the amendment.

MR. TONKIN (Melville—Deputy Leader of the Opposition) [5.21 p.m.]: I regard this amendment to the Address-in-Reply as an indication by the member for Mt. Marshall that he requires to draw attention to a state of affairs which, if not arrested, could be seriously damaging to the economy of Australia. In no way do I regard this as a motion of censure on the present Government. Had this amendment been moved shortly after the sale of the State Building Supplies to Hawke Siddeley I would have so regarded it, because it deals with just that situation.

As one who endeavoured to attract overseas capital to Western Australia I would say, without any hesitation, that we must continue to endeavour to attract capital. But we have to attach certain conditions; otherwise, in gaining an initial advantage, we may be selling ourselves into bondage so that the burden upon the inhabitants of the country will possibly be greater than they can bear.

Warnings have already been sounded in many places. We have been advised by visitors from overseas that we should be careful; and who would know better than Professor Ewing, who recently came to Australia from California? Professor Ewing was a Canadian and therefore would have firsthand knowledge of the situation which has developed in Canada as the result of large-scale foreign investment in that country. Professor Ewing, the paper tells us, is an associate professor of international trade and marketing at the graduate school of business at Stanforth University, California, so he would appear to be a man well qualified to speak on this particular subject.

He made the rather remarkable pronouncement—remarkable to me anyway—that in the petroleum industry in Canada there is now not one single integrated company which is Canadian-owned. So the transition has taken place; and by a process of takeover, the result now is that there is not a single Canadian-owned integrated company in the petroleum industry. What can happen in one industry can happen under the same process in others; and, of course, the serious effect of such a process is that the earnings of the people will continue to leave the country, and one's own people are working in order to provide purchasing power elsewhere. If that goes on to any great extent the country could be in very serious trouble.

One disability which a company experiences as a result of a takeover by foreign capital is that almost invariably there is a displacement of top executives. Where the company is owned within the country—either Australian-owned, or having a majority of Australian shareholders—it is reasonable to assume that the top positions, or most of them, will be available to Australians. But experience shows that when foreign capital is brought in on a takeover basis the parent company fills the top executive positions with men from overseas, and continues to do so, so that those opportunities are lost to our own people.

It has been very truthfully stated—and wisely stated, I think—that the ultimate safeguard against the disabilities which would be suffered by this process is to be found in the competitiveness of Australian industry, and the efficiency of our management. Therefore, if we are inviting overseas capital to come to Australia, or to Western Australia, so long as we can ensure that existing Western Australian, or Australian industries will carry on and expand, then by their own competitiveness and efficiency they will hold in check the serious disadvantages which would otherwise be experienced. But if we permit our own industries to be taken over we lose the advantage which could flow from that position inasmuch as we no longer have competitiveness, and then we are open to all the ills which have been suffered in Canada and elsewhere as the result of this large investment of foreign capital.

When the newspapers—which almost invariably are capitalist newspapers, and in favour of big business—start to publish articles suggesting that somebody should take stock of the position, surely it must be regarded as having reached a serious stage! I do not remember having seen anything about this last year, but in recent months one has noticed in all sorts of publications—the daily Press, the weekend Press, monthly periodicals and quarterlies—articles by experienced people drawing attention to the dangers which

are confronting us unless some remedial action is taken. I have here a cutting from *The West Australian* of the 14th June this year. The heading is "Watch on Capital Inflow," and it reads—

A much more critical look is being given to the role of capital inflow in the Australian economy, the Bank of New South Wales says in its latest economic review.

The bank questions whether the balance of payments can be bolstered permanently by the flow of overseas capital.

Considerable interest was being taken in the extent to which overseas ownership and control of Australian industry was being built up by the accumulated ploughing back of accumulated profits, the bank said.

If we follow the process which has taken place with some industries—that is, instead of ploughing back profits into the existing industry, the profits are used to acquire existing Australian industries—then we can realise how serious this trend is becoming; and will become, unless steps are taken to arrest it. The article continues—

Australia was taking a keener interest in obtaining a substantial local equity in industries established here from overseas. The ultimate safeguard was the competitiveness of Australian industry and the efficiency of our management.

That was the second reference in *The West Australian* to this very subject—the second reference within a month. Normally one would not see a reference to it in six months; but here is a reference to it twice within a month. I quote the other one from *The West Australian* of the 11th May, 1963 which reads—

The chairman of the A.M.P. Society, Mr. C. G. Crane, today expressed concern about the long-term availability of suitable equity investments because of the increasing degree of overseas ownership and control of enterprises operating in Australia.

Mr. Crane's objection was that he had money to invest—money belonging to Australians—but the opportunities for investment were being restricted, because of the specific capital structure adopted by these overseas companies deliberately to make it impossible for Australian shareholders to invest.

So you can see, Mr. Speaker, all in all there is a gradual process of increasing foreign ownership of Australian businesses and a reduction of Australian participation in those industries. I referred also to the classic example of a takeover which occurred in this State—a dreadful thing, which is completely indefensible. But

imagine my surprise—I will go further, because I think it needs a stronger word than that; imagine my amazement—when I read this in the capitalist Press—and I quote from the *Weekend News* of Saturday, the 20th July. Under the heading "Lively New Year Time for Stock Review", we find the following article:—

Do we need foreign investment? And if so, how much?

A political cliché calling for foreign capital has exaggerated our deference to the foreign entrepreneur. This attitude still goes on.

The attitude comes from the uncritical belief that the foreign capitalist brings in capital. He does not.

He brings in know how and takes money out.

The classic examples are General Motors and Hawker Siddeley. GM set up to build aero motors during the war. From the proceeds of its Australian operations it was assisted further to car manufacture. Having brought not one penny piece of new capital into the country it is now repatriating millions each year.

I interpolate here: That is no exaggeration. If you have noted from time to time, Mr. Speaker, the extent of the profits which are being made by this company yearly, you will appreciate the tremendous drain on the Australian economy which this repatriation of profits provides. The article continues—

Hawker Siddeley would have had no difficulty in putting up £250,000 from its other Australian operations to buy round £6,000,000 of assets on 20 years profit-sharing operation—surely the most astonishing sale on record.

With that I wholeheartedly agree. It is the most astonishing sale on record: one which was camouflaged and misrepresented by the Government until such time as the Auditor-General's report came out, and showed just how much money was actually received by the State for this very wealthy asset.

Did you, Mr. Speaker, see the amount of profit which was made last year by this company as a result of a complete takeover of a Western Australian business? The difference is that the money which has been made in this State has now gone as profits to the shareholders of Hawker Siddeley, and has been taken away from the purchasing power of our own people.

Is it any wonder that the employment situation in Western Australia is getting gradually worse? If that process is followed then, instead of our reaching a stage which the Premier told the people in Forrest Place we would reach by June of this year—in case he has forgotten I will remind him that he said there would be

no people out of work in Western Australia but we would have more jobs than workers—the opposite will be the case.

Mr. Brand: What I said would take place is quite likely to occur.

Mr. TONKIN: What is the situation now? The unemployment position in Western Australia has reached the highest possible peak—quite the opposite from what the Premier himself had publicly declared would be the situation. The Premier's own policy of permitting takeover of this kind has contributed to that most unsatisfactory position.

Instead of being blamed for putting the Government on the spot, the member for Mt. Marshall should be complimented for drawing attention to a situation which is crying out for attention. His is not a voice crying in the wilderness. He is following a lead already given by his Federal leader: he is echoing the opinions which have already been expressed by competent people in various parts of Australia, and by visitors to Australia from overseas.

We cannot afford to disregard these warnings. I know that in this country of such a vast area and potential, but with a very limited population, there is a strong inclination to bring in capital at any price to get new industries established here no matter what it costs. But there is a day of reckoning.

I have mentioned more than once—and it will bear repetition here—that in wharfage and pilotage alone British Petroleum is costing this State £750,000 a year, as compared with South Australia. In other words, that company has a tonnage of 3,000,000 a year, which is free of wharfage and pilotage; whereas South Australia imposes a wharfage and pilotage of 5s. a ton or more. Had we imposed 5s. a ton—which would not have been a high price—the Fremantle Harbour Trust would today be receiving an income of £750,000 each year.

Mr. Court: It would not be getting anything, because we would not have the refinery.

Mr. TONKIN: That is what you say.

Mr. Court: That is what I believe, and you know it to be true.

Mr. TONKIN: The Minister is only following the line that so long as he gets the industry, the price does not matter; but we do not subscribe to that. I say we are entitled to bid high, and to bid very high.

Mr. Brand: It is only a matter of opinion as to what is high.

Mr. TONKIN: We cannot go on bidding without limit. There must come a point when, however desirable it is to obtain an industry, it would be uneconomic to do so and, of course, there are other considerations besides the bringing in of a certain amount of capital and know-how. I have

no doubt that, if negotiations were carried on in the proper way, these companies would agree, because surely they must appreciate that they cannot have all the cake; that is, they would agree to alter their capital structure to permit of Australian participation.

For my part, I would rather wait a year or two to obtain capital participation than have an industry in the State tomorrow or the following week without any opportunity for our own investors to come in. There could be some exceptions to that rule. For example, if there were a key industry without which we could not get a number of other industries, and it was absolutely essential that that key industry be obtained, then the Government would be justified in offering more than it would ordinarily offer for such an industry. Of course, that did not apply to Hawker Siddeley.

Mr. Brand: Would you not consider the largest refinery in Australia to be a key industry in Western Australia?

Mr. TONKIN: Yes I would; and I would be prepared to pay a very high price for such an industry—but not a limitless price. Surely South Australia is just as keen to get industry as we are, but Sir Thomas Playford would not agree to the concession of no wharfage and no pilotage charges. He sent a man from South Australia to make inquiries at the Fremantle Harbour Trust regarding the conditions under which the refinery was established in Western Australia. When his inquirer was told that it had been established in Western Australia free of wharfage and pilotage charges to the end of the present century, he said that Sir Thomas Playford would not agree with such a proposition, and neither did Sir Thomas Playford agree. He imposed at least 5s.—I think the figure is higher than that.

Mr. Court: What capital works did he undertake for that?

Mr. TONKIN: I am not in the position to answer.

Mr. Court: You want to get the full story.

Mr. TONKIN: I have the full story. It is no good for the Minister to try to badger me, because I know as much as he does.

The SPEAKER (Mr. Hearman): Order! I think we had better confine ourselves to capital investments introduced for the sole purpose of taking over established Australian enterprises and industry.

Mr. TONKIN: I hope you will permit a little gentle interlude, Mr. Speaker. To go back to the point raised by the Premier in interjection—that is: Was this a key industry?—I can say that it was; but Hawker Siddeley was not a key industry. The milling of timber is not a key industry

in Western Australia, because there was already one established by the State, in addition to which there were other firms which had been operating here for years and years, such as Bunning Bros., Millars, and Whittaker Bros. What did this State gain by bringing in Hawker Siddeley, and by handing over this very valuable enterprise for a mere song on extended terms? It is no exaggeration to say that the arrangement was on a sort of profit-sharing basis up to the time it is paid for.

The company has used the works in order to obtain the money to pay for those works, so it is in the very happy position of having possession of works which will ultimately cost it nothing. Do not tell me that is good for the economy of the State! That is the very type of business transaction at which the amendment moved by the member for Mt. Marshall is aimed.

Just as that is bad for the economy of Western Australia, so will all similar business transactions which are no more than takeovers be for this State. It is time we had a very critical look at the type of investment which is being made, and we should endeavour to reach some understanding throughout Australia in the interests of Australians generally. Whilst we must have capital and know-how, which we do not ourselves possess, there is a limit to the price to which we can go economically.

Furthermore, we are in a position now, because of what is taking place in various parts of the world, to insist on certain conditions. Arising from the unrest in parts of Asia, Europe, and South America, capital is looking for an opportunity for investment elsewhere; and those in charge of such investment will not be so picky about the conditions under which they are prepared to invest.

The comparative safety which Australia offers is some inducement on its own. My own opinion is that if we were to suggest to the people with whom we are negotiating that it is highly desirable, not only in our own interests but in theirs as well, for their capital structure to be such as to permit of Australian participation, any objections they might be disposed to raise would be dissipated. They would agree if we persisted in saying, "If you want to establish in Western Australia we think you ought to lean a bit our way".

This amendment is really timely. Of course, the member for Mt. Marshall is not the only member who has been thinking along those lines; other members on this side of the House, during the debate on the Address-in-Reply, drew attention to these very dangers which are confronting us. I feel there is no better way of bringing the matter to prominence than the way which has resulted in the debate now taking place in this House. Whether it was intended that way or not I do not

know, but I am accepting the situation which confronts us now; and it is an opportunity for the representatives of the people to express their point of view if they have one on this question.

I think it behoves the Government—and I do not know at this stage whether there will be any spokesmen for the Government or not—if it has an opinion on this matter, for or against the motion, to state its opinion, and not only state it, but give some reasons for holding it; because far too often do we find opinions being expressed on behalf of the Government with no justifiable reasons being advanced in connection with such opinions. I am always prepared to respect the opinions of anybody, but I also expect to be given some reasons for the formation of such opinions.

Opinions which are not based on logical reasons, in nine cases out of 10 are worthless opinions. They might be just lucky guesses in some instances which turn out right. But if a man has an opinion which he is prepared to express, he should be prepared to back it up with some reasons for it. This affords the opportunity for us to hear some of the reasons for some of the opinions which are held. I would hope in the interests of the State that the Government has a definite opinion on this matter and is prepared to express it in order to enable us to know what line of action we can expect from the Government if this trend, which is an undesirable trend, continues to threaten the sound economic life of Australia, and particularly Western Australia. I support the amendment.

**MR. COURT** (Nedlands—Minister for Industrial Development) [5.52 p.m.]: This amendment that has been moved by the member for Mt. Marshall is one which is very restricted in its form and the honourable member asked leave of this House to withdraw it and that leave was refused by the Opposition. I can only assume the Opposition has done that for no other purpose than to try to cause the honourable member some embarrassment and for some cheap party-political action.

This amendment which, in its original form was, as I said, very restricted, has been used by some of the spokesmen for the Opposition to be an all-out attack on overseas investment. It is no good their trying to camouflage this by saying that under certain conditions overseas investment is all right and then coming out and renewing their attack on overseas investment, because deep in the heart of the argument advanced by the Opposition is an all-out attack on overseas investment.

**Mr. Tonkin:** Absolute nonsense!

**Mr. COURT:** Let us examine this situation.

**Mr. Tonkin:** Examine it all right!

**Mr. COURT:** This amendment refers to takeovers by overseas investment for the sole purpose of taking over established Australian enterprises and industries, and not for the purpose of expanding those enterprises and benefiting those enterprises, so they can trade more profitably and vigorously, and increase their knowledge. This amendment refers specifically to taking over businesses, apparently for the sake of a takeover—the implied inference being, for the sake of doing something in those businesses which would not be good for the economy of this country.

The Leader of the Country Party in the Federal sphere made his position quite clear when asked to do so by the Federal Opposition in an effort to embarrass him with the Prime Minister. He has made it quite clear that he and his party support the introduction of large sums of overseas capital into Australia. He has repeated it several times; and there is no doubt in my mind where he stands on this issue. He has, however, made certain qualifications which are along the lines of the strict wording of the amendment moved by the member for Mt. Marshall.

It is no good the members of the Opposition trying on the one hand to say overseas capital should come in, and on the other hand saying, "Oh, no!" Let us examine their record in this matter. The Deputy Leader of the Opposition has, with one of his hardy annuals, attacked the B.P. Refinery, one of the great refineries of Australia. This refinery was obtained only after negotiating under the most difficult of circumstances, in competition with the rest of Australia. It has successfully earned for Australia a tremendous amount of income, and for this State it has produced a tremendous number of career opportunities for our people.

There was the usual talk of the State Building Supplies. The firm concerned did not come within the conditions of this amendment, because its coming here was not purely for the purpose of a takeover. It was for the purpose of expanding an industry which otherwise could not be expanded, and preserving competition within the timber industry of the State. Now, for the sake of political argument, the Opposition is talking in terms of our being morally committed to integrate this industry with the established sawmillers—Bunning Bros., Millars, Whittakers, and so on. What a hue and cry there would have been on the other side of the House if we had reduced the number of competitive interests in this State!

Let us go further and examine the example given by the Deputy Leader of the Opposition in respect of the B.P. Refinery. Under the Hawke Government's policy to attract capital he went to one of the

strongest and most powerful and most financial chemical organisations in the world—Dow International. This organisation is one of the blue chip stocks, not only in America, but in the world. It has a balance sheet which would be staggering if measured against the balance sheet of Western Australia as a whole.

What did this representative of the Hawke Government offer? First of all, he offered land adjacent to the refinery with an ocean frontage, unlimited as to size, free of charge. He offered the organisation 20 per cent.—

Mr. Hawke: It could not very well have been unlimited as to size.

Mr. COURT: I can only quote his own words—"without restriction on acreage, free of cost." Those are the words used in his letter. I am not quoting my own words, but the words in the letter that the honourable member, when Minister for Works, wrote to Mr. Shoemaker, of this particular organisation. He then went on to say, "A free grant of 20 per cent. of your establishment costs"—not free of interest and not repayable over 100 years or anything of that nature, but a free grant of 20 per cent. He then went on to say that if further financial assistance were required it would give—that is, the Government—a free of interest loan for 10 years and a Government guarantee to any prospective lender.

This prospect was referred to in the paper and reputed to be one involving £20,000,000 and there was competition for it not only within Australia but within other countries, because it was a famous firm. I admit quite freely that I wish I had a Treasurer who would let me compete like that; but my Treasurer would not let me compete like that for a £20,000,000 industry because I would have sent the State broke in trying to meet the offer.

Mr. Tonkin: You've done that already.

Mr. COURT: So desperate was the Hawke Government to get industry that the Deputy Leader of the Opposition, when Minister for Works, went to all parts of the world in an attempt to get it. Let us see what a £20,000,000 deal like that would have cost the State. What would be the value of the land without restriction as to acreage? A free grant of 20 per cent. of establishment costs—what would the value of that be? A free of interest loan for 10 years that the Government would have not only have to find the money for—

Mr. Tonkin: You put a figure on it.

Mr. COURT: Take a fifth of £20,000,000, which gives a free grant of £4,000,000.

Mr. Tonkin: Don't run away from it.

Mr. COURT: Then there could be further financial assistance, if required, interest free for 10 years. Assume they only

wanted £5,000,000 in addition to the grant, and the interest on that had to be paid, just imagine how much it would cost per annum?

Mr. Tonkin: You do not have to imagine it. You can work it out.

Mr. COURT: The Deputy Leader of the Opposition wants to know what 20 per cent. of £20,000,000 is. That is one-fifth, and I presume it is £4,000,000 free grant and the loan beyond that was unlimited.

Mr. Tonkin: No it wasn't.

Mr. COURT: It was stated that if further assistance were desired the Government would give a free of interest loan for ten years and a Government guarantee to any prospective lender.

Mr. Tonkin: But was it not limited to the balance of the establishment costs?

Mr. COURT: I do not like taking points off the Deputy Leader of the Opposition, but he has put himself in. If I take £4,000,000 away from £20,000,000 I have £16,000,000 left; but I assumed that the company would put up half the capital itself. I was letting him down lightly.

Mr. Tonkin: With all that, it would not be half as much as we are losing through B.P.

The ACTING SPEAKER (Mr. W. A. Manning): Order! The Minister must address the Chair.

Mr. COURT: We have B.P., thank goodness! It is one of the biggest refineries—if not the biggest—in Australia and, I would say, the most efficient; and we are proud of it.

What is the attitude of the Opposition when we try to help Australian companies establish themselves here? I remember the hours of debate which ensued when we tried to ensure that A.P.M.—an Australian company—established itself here ahead of two overseas companies.

Mr. Tonkin: What were you going to give them?

Mr. COURT: I remember the hue and cry about it. What was the reaction of the Opposition to the great Australian company B.H.P.? We never hear the end of it. The Opposition states that we are giving our birthright to the company for nothing. This is typical of the phrases used by members of the Opposition in connection with this company not only when we tried to make sure it established itself in our State, but also ever since then. The members of the Opposition cannot have it both ways. If overseas capital is not wanted here, for goodness' sake encourage the Government of the day to make it easy for Australian companies to come here!

Mr. Tonkin: Now, what do you think of the amendment?

Mr. COURT: I have said my piece on the amendment, and it is one of the rules of this place that members can answer matters that have been brought into the debate by previous speakers.

An attack was made by members on the other side, on General Motors. I wonder what the Hawke Government would have said if General Motors had approached it and said, "I am sorry we are an overseas company, but we would like to establish ourselves here." The Hawke Government would have said the same to General Motors as it did to Mr. Chase—"For goodness' sake come, and we will give you anything you want."

There are several things we must remember when considering General Motors. First of all this firm was encouraged to come to Australia by a far-sighted Australian—Mr. Chifley—who realised that Australia badly lacked a great motor industry in time of war. As a result, Australia was dependent on overseas companies for supplies. Now we have General Motors; and what has it contributed to Australia?

Mr. J. Hegney: What has it taken out?

Mr. COURT: The dividends taken out are unimportant compared with what it has saved us in overseas funds.

Mr. Tonkin: You demonstrate it.

Mr. COURT: I will if I am given a chance. This is the side of the story which is not told to the public, and it is unfortunate that it is not. The fact is that by making a motorcar in Australia there are tens of thousands of Australians who are skilled makers of motorcars. It is an Australian industry. No-one can pack it up and take it to America or Europe. It is a great Australian industry.

An Opposition member interjected.

Mr. COURT: I am answering the criticism, submitted by speakers on the other side, of this particular type of overseas investment, and under Standing Orders it is permissible to do so.

Mr. Brand: It was very good to see Holden cars in Singapore.

Mr. COURT: By the manufacture of cars here, not only have we built up a tremendous skill in that field, but we have also cut off the flow of hundreds of millions of pounds of imports from abroad which was crippling Australia. The success of this firm has forced at least three manufacturers to do the same in Australia, and now they have gone into the export market with ever-increasing success. As the Premier just stated, Holden cars are now to be seen in Singapore and Kuala Lumpur, and I understand they are stretching further afield throughout the world.

Mr. J. Hegney: What about the profits they make: £15,000,000 taken out of Australia?

Mr. COURT: These people pay taxes. They have created this great skill in Australia. Rather than apologise for them we should look at the other side of the picture—at the credits. People do not give credit where it is due. This was not a question of takeover. It was a question of an industry being established by people who had the know-how, and they have given this know-how to Australians. I think the most extraordinary thing about General Motors and other motor companies established in Australia is the fact that when one goes amongst the top executives one is battling to find an Englishman or an American. They are all, almost without exception, Australians. These companies are established here and they are here for keeps. The skill will be passed on to more Australians, and that is an important thing in the eyes of this Government.

I want to mention the Government's attitude to overseas capital. We maintain that unless we get overseas capital and the know-how we cannot press on at the rate we must. We cannot open up the resources of Australia because, as I have said in another place, the Australian investment market is not big enough to provide all the capital we need, and not sophisticated enough. If the average Australian were asked to invest money in a risky venture or in a pioneering venture and wait for years for a return, he would not do it, because there are so many investments for Australian capital into which he can put his money and get a dividend in a matter of months. Therefore we have to go overseas to the people who have these funds, who are used to this type of risky investment, and who are prepared to come into our country and develop it.

They cannot take their mines home; they cannot take their railways home; they cannot take their ports home. They belong to us. If these people ever reached the stage where they kicked over the traces—which they are not likely to do; in the main they are very decent people—it is competent for us as a sovereign people to take the necessary action. I do not think it has ever been necessary; nor will it ever be necessary in Australia to do this.

We as a Government do examine very carefully capital coming into this State, so far as we negotiate it. We come back to this point: When is a takeover not a takeover? Is the establishment of a new concern a takeover just because it comes in and is the only one in Australia in that particular industry? Is it a takeover because it comes into Australia and is so efficient that other industries which are already established have to close down because they cannot compete in a modern industrial world? Do members call that a takeover?

I say that if one takes this thing too far one can get the matter completely misunderstood in overseas countries, because capital is the shyest commodity we are dealing in today. The number of people who are competing for capital in any country today is legion, and capital is very sensitive to local reaction. If they cannot feel a united welcome in a particular country, there are a dozen other places they can go to and obtain very good and safe investments today.

We cannot stop people from selling out their ventures. If somebody has built up a business and finds he has reached the stage where he cannot promote it any further, who are we to stop him from selling it? If we do so, what do those people do? Perhaps they are getting old, or there is no follow-on in their family or among their executives. Should they let the business run down because the State Government says, "You must not allow it to be taken over?"

This particular amendment was, in itself, worded to allow for the fact that there would be conditions when takeovers would be necessary provided they were not takeovers for takeover sake. We have had a case in Perth recently where an old and successful moderate-sized electrical firm has been taken over by a great world corporation. The facts are that if this corporation had not come in and taken over this particular local company, it would have been doomed to stagnation and eventually to go out of business.

As it happened, this overseas interest, which we have encouraged—I make no secret of that—has provided not only all the capital that this company will need for the foreseeable future, but has given access to all its know-how, and is making certain arrangements with the company—and has an understanding with the State Government—for exporting certain products. These arrangements are much more sophisticated than the local company could have undertaken.

Not every takeover is a bad thing. Here is a case where a Western Australian company is going to be expanded, not only in the actual number of employees, but also in connection with its diversity for the future. It will have all the capital it needs and all the know-how it needs to expand in a great variety of products, instead of being very restricted as it was under its former ownership.

Mr. Oldfield: You being here would have given all the know-how it needed.

Mr. COURT: If the honourable member wishes to be cynical, in his usual sarcastic way, that goes right over my head.

Mr. Hawke: The proposal the Minister speaks about would not come within the terms of this amendment.

Mr. COURT: As I tried to say in the earlier part of my remarks, the honourable member who moved this amendment preferred to have this matter on a broader basis, and certainly on a basis where he himself could reply later. He asked leave to withdraw; and that was refused by members of the Opposition.

Mr. D. G. May: You are in agreement with the amendment?

Mr. COURT: I think the amendment should not be moved as an addition to the Address-in-Reply. If we are going to consider this matter, we should consider it as a separate matter, in its own right, as the honourable member has indicated. It should be either a matter for discussion during the Address-in-Reply, with an opportunity of an answer from the Government; or, alternatively, it should be dealt with as a separate matter.

Mr. H. May: Who suggested the withdrawal?

Mr. COURT: The member for Mt. Marshall asked for permission to withdraw his amendment. The members of the Opposition are pleading that this is not a censure of the Government. On Friday last, if one read the newspaper, the inference was clear from the Leader of the Opposition's comments—only qualified in respect of the reference to the Federal sphere—that this, in his mind, was a censure of the Government.

Mr. Hawke: That is completely untrue. I said that if it were moved in the Federal Parliament, it would be a censure.

Mr. COURT: This is what the Leader of the Opposition said: "If this was the Federal Parliament, it would be a censure motion without doubt." One cannot play around with words like that. The intended inference to the public was that this was to be a censure motion.

It has been a policy of the Government to reject amendments to the Address-in-Reply, because we feel the Address-in-Reply should go forward unamended; and if any matter of this nature has to be dealt with, then there are many opportunities under our parliamentary system for it to be brought forward by a private member.

I find it hard really to understand the attitude of the Opposition on this question of overseas funds. We find Mr. Calwell going abroad and wooing Americans with syrupy words that they are welcome in Australia; that he will put his arms around them, and they will be mates as they were during the war. He says he is going to re-negotiate the V.L.F. agreement. He says he wants partnership and that there should be 30 per cent. Australian participation. I wonder what the comment of Mr. Chamberlain was when Mr. Calwell

made such an emphatic statement that only 30 per cent. Australian participation was necessary.

We find Labor Premiers going abroad to attract capital. We have had Mr. Heffron going on a very exacting tour to attract overseas investment for New South Wales. We have had Mr. Reece, of Tasmania, going abroad pressing for overseas capital. We have had Mr. Fagan, from Tasmania, pressing for overseas capital.

Mr. Hawke: Pressing for new industries.

Mr. COURT: I have not seen them distinguish between new industries and expanding established industries. I have never heard these gentlemen say, "You can come here if you can start new industries, but you cannot come here to take over an industry to expand it." What they say is, "We want overseas capital, and it will be welcome in our State."

We cannot have it both ways at the same time. In all my experience of these gentlemen, they have made no bones about it; they want this overseas capital because they acknowledge that in spite of the tremendous development which is taking place in New South Wales and Victoria, they have still got to go out and compete with the countries of the world for more capital, and it is a hard business. The incentives which are offered by other countries—and some of them are quite stable countries—are tremendous. They offer a pioneer tax exemption for five years and, in some cases, 10 years. They offer establishment incentives which the Hawke Government was prepared to give, of a fifth grant and interest free loans, and free land, which this Government felt it could not give. We had to lay down more stringent conditions because we did not have the sort of money with which to follow this through to its logical conclusion if a flow of industries was attracted.

*Sitting suspended from 6.15 to 7.30 p.m.*

Mr. COURT: I just want to say a few words to conclude what remarks I have to make on this amendment moved by the member for Mt. Marshall, and which he sought to withdraw. My main purpose for saying these few words after the tea suspension is to reiterate where the Government stands in respect of overseas capital.

First and foremost we naturally prefer local capital, and all our approaches are based on this idea. We do our utmost to find some suitable Australian enterprise which is capable of developing our resources, but these enterprises are not always available, for the reasons I have given. Some of these reasons are that the amount of capital available in total in Australia for investment is not sufficient to go around. Secondly, the Australian

investor has a lot to learn of the sophistication in investment as compared with overseas investors who are used to this pioneer type of investment.

If local capital is not available for these investments we try to encourage a partnership arrangement, and we have been quite successful in this regard. Over the next few years some projects will announce a basis which will provide for local participation. Most overseas companies endeavour to do this but sometimes it is not practicable, because of internal reasons, to have this partnership arrangement. I have found no great reticence on the part of a lot of these overseas concerns to have these partnership arrangements.

Then, of course, we come to the third type where there is neither local capital available nor is a partnership arrangement practicable. In those cases we carefully evaluate the nature of the development we are seeking before we will accept 100 per cent. overseas investment, but we are interested in getting resources developed and getting the know-how brought to this country, particularly the people who have the ability to sell the products that they are able to mine or manufacture, as the case may be. I submit that the State Government's record in these matters is impeccable. We have observed this rule right through the whole of our term of office of over four years, and that is reflected in the agreements that have been written by the Government and brought to this Parliament—that is, negotiations that have been successfully completed and involving agreements requiring ratification.

In conclusion I would say we must keep overseas capital in its proper perspective, and that includes capital used for take-overs in our country. As I mentioned earlier, there are cases when these take-overs are desirable and necessary, and are encouraged by Governments in the interests of getting a firm, which would otherwise stagnate, made virile and brought to a stage where it can extend and increase its diversity.

Mr. Graham: Are you suggesting that the Deputy Prime Minister has been talking through his hat?

Mr. COURT: I have suggested nothing of the sort. If the honourable member had been here earlier, when I commenced my speech, he would have heard me say that the Deputy Prime Minister has declared himself quite clearly in the matter; he has declared himself in favour of large quantities of overseas capital coming to Australia, but he has made certain qualifications which the member for Mt. Marshall endeavoured to incorporate in his amendment.

Mr. Graham: That is what we said.

Mr. COURT: It would be desirable for the Address-in-Reply to go through unamended, because it is the policy of this Government to endeavour to have the Address-in-Reply unamended when it goes to His Excellency.

Mr. Graham: It is the sort of thing you did when you were over here.

Mr. COURT: Of course the honourable member's Government had a different policy. It amended amendments, and it was all good fun.

Mr. Tonkin: But you tried to have the Address-in-Reply amended.

Mr. COURT: But we never succeeded.

Mr. Graham: You tried to do what we seek to do.

Mr. COURT: The honourable member's Government had a different policy. We do not like the Address-in-Reply amended, because I do not think it is good form in any case. We have to realise, too, that all the other States are chasing overseas capital in certain directions, and we have to be careful that many of these people—these economists and academic people who are preaching this anti-overseas investment doctrine—are not taking things out of their proper perspective. The other States mentioned, particularly New South Wales and Victoria, have already got a tremendous amount of overseas investment. They have got these great industries that give employment opportunities and now that they have got them they could not care less what happens to us.

We have to be careful that we do not get things out of their proper perspective and by doing so damage the development of Western Australia. I hope that the amendment will be defeated, and the honourable member has already indicated that he would prefer to deal with the matter as a separate subject, which I think would be more correct.

The SPEAKER (Mr. Hearman): Before we have any more speakers on the amendment, I think I must draw members' attention to the fact that the debate has got a little away from the original wording of the amendment. There has been a great divergence in the speeches made so far, and I think members might well follow the example of the Leader of the Opposition. I shall quote the amendment to refresh members' memories. It reads—

but wishes to express concern at the increased volume of overseas investment introduced for the sole purpose of taking over established Australian enterprises and industries.

I would emphasise the wording "for the sole purpose".

Mr. Hawke: The Minister for Industrial Development forgot that.

MR. W. HEGNEY (Mt. Hawthorn) [7.38 p.m.]: I am very pleased you drew members' attention to the departure from the terms of the amendment, Mr. Speaker, and I hope, during the course of my remarks, to restrict myself to the amendment moved by the member for Mt. Marshall. I think the honourable member is to be commended for drawing attention to the position as he no doubt sees it, and no doubt as many others see it today.

Mr. Hawke: The Minister for Industrial Development wandered all over the auction.

Mr. W. HEGNEY: The Minister for Industrial Development indulged in a great amount of verbiage and circumlocution in order to sidestep the purpose of the amendment. He went all around the compass and he certainly did not restrict himself to the terms of the amendment, or its purport. The amendment, which is a very brief one, reads as follows:—

but wishes to express concern at the increased volume of overseas investment introduced for the sole purpose of taking over established Australian enterprises and industries.

Surely no-one suggests that the member for Mt. Marshall dragged that amendment out of the hat last Thursday! He had some grounds for moving it, otherwise he would not have moved it when he did.

Let us have a look at the actual position. I suggest, and I am open to correction if I am wrong, that he has mentioned in his amendment just one of the objectives of the Country Party in this State. About 12 months ago the Country Party, of which the honourable member is a member, had a conference; and among other things the conference decided on the following—and I quote from *The West Australian* of the 2nd August, 1962:—

The Conference decided that a more favourable economic climate was needed to encourage small individual enterprises. Monopolies should be discouraged by appropriate restrictive measures. Delegates—

that is, delegates of the Country Party, and I understand the Minister for Education was present—

—deplored the present trend of big business take-overs and the steady elimination of genuine free enterprises formerly engaged in by private individuals and family groups. Smaller individual enterprises could be encouraged by eased taxation, probate and other financial factors.

I can understand why members of the Country Party are anxious to have some control over foreign companies interested in takeovers, or overseas capital which is introduced for such purposes. The members of the wool industry are also anxious to have some control over them. Why?

For the protection of the industry and the producers themselves. Despite the fact that the Minister for Industrial Development has tried to dismiss the attitude of the Deputy Prime Minister, I suggest that the Deputy Prime Minister has been forthright in his attitude on this subject and it is remarkable that other members of the Country Party—especially those who are Ministers—who are backing the Liberal Government, have not seen fit to support the member for Mt. Marshall and his amendment to the motion.

The Minister for Industrial Development belittled the members of the Opposition because of their attitude, and tried to imply that we were against the introduction of overseas capital. I suggest that no member of Parliament, no matter what political colour he may be, is against the introduction of overseas capital. No member on this side of the House has suggested that he is against its introduction. What we are concerned about is what the member for Mt. Marshall is concerned about. I suggest that the Minister for Industrial Development might have a look at what is happening in the Commonwealth Parliament in regard to this matter.

I will now quote from an extract taken from *The West Australian* of the 8th July, 1963. The article deals with the proposed restrictive trade practices Bill to be introduced in the Commonwealth Parliament, and the following is a paragraph from it:—

Certainly there would be no justification for West Australia to stand aloof in the hope that its own ineffective legislation would be an added attraction to investors. Though our Government sometimes does not seem quite clear on the point, we do not seek investment at the price of exploitation.

Australia is not breaking new ground in these proposals. It is simply adopting principles that have been applied for years in Britain, the United States and elsewhere. The object is just as much to preserve free competition as it is to protect the public from unfair business practices.

That extract was taken from a leading article in *The West Australian* dealing with the restrictive trade practices Bill to be introduced into the Commonwealth Parliament by the Attorney-General. Among other things, the Commonwealth Attorney-General has announced that there are certain aspects of his Bill which will form the subject of the registration of certain trade agreements in the public interest. That is a very definite policy in legislation of this kind; namely, that any restriction imposed or embodied in an Act of Parliament shall be in the public interest. By that is meant in the interests of the public, the consumers and

those engaged in a particular trade or calling. I will now read for the information of the House a few of the proposed agreements which will require to be registered.

The SPEAKER (Mr. Hearman): The honourable member can relate these to the amendment, I hope.

Mr. W. HEGNEY: What I am about to read is very definitely in relation to the amendment, Mr. Speaker. There are a number of agreements, but I do not propose to read all of them. However, I will read some trade practices which the Commonwealth Attorney-General declares to be most undesirable. The following are among those which he considers should be registered:—

Arrangements involving price-fixing and uniform terms of dealing.

Restrictions on output for outlets.  
Boycotts and limitations on right to membership of trade associations.

Practices involving resale price maintenance, or discriminatory dealing.

Those practices will not be prohibited but will require to be registered. If the provisions are enacted they will be the same as those contained in our Trade Associations Registration Act which requires that certain agreements must be registered. The Commonwealth Attorney-General, as a member of the Liberal Government of Australia—not a Labor Government, but a Liberal Government—has described the proposed legislation, as listed the following inexcusable law practices:—

Persistent price-cutting at a loss drive a competitor out of business.

Collusive tendering and bidding.

Monopolisation.

Those are the practices which Sir Garfield Barwick suggests should be proscribed, not prescribed. I suggest that he has been urged by the Country Party members of the Commonwealth Parliament to introduce this legislation to protect the public of Australia, particularly the consumer and those engaged in trade.

As the Deputy Leader of the Opposition has already dealt with this aspect, I do not propose to discuss the proposal in regard to foreign investment and the statement of Professor John Ewing; but it could be said that the Commonwealth Government is awake to the position, otherwise it would not be so insistent—through the Commonwealth Attorney-General—pursuing the proposal to introduce legislation on a Commonwealth basis to enable the Government to have some control over certain takeovers and mergers to ensure that there will not be private enterprise, but free enterprise; that there will be no elimination of competition, but free competition in trade and industry throughout the length and breadth of Australia.

For many years there has been on the Commonwealth statute book legislation known as the Australian Industries Preservation Act, which was introduced in 1906 and which has been amended from time to time. That Act was introduced to endeavour to stem the tide of monopolies; to prevent overseas capitalists from controlling Australian industry to the detriment of the Australian public. I have no doubt that legislation will be introduced in the Commonwealth Parliament; and I repeat that it will be necessary for this Government to introduce complementary legislation to ensure that the Commonwealth Parliament will have—its Constitution now is restrictive—the requisite power to deal with the flow of overseas capital and with mergers in the interests of Australian industry generally and the public at large.

I do not think there is anything disloyal, anything extravagant, or anything that would be to the detriment of the people of Western Australia in adopting that attitude. I invite denial by any member of the Country Party as to whether the sentiments I am expressing are not in accord with those held by members of the Country Party in this State, or by members of the Country Party of Australia. Anyone would think that what we are now debating is something fresh and something which has not happened in any other part of the world; but such is not the case. Legislation of a similar nature has been introduced in other countries. In fact, a United States House of Representatives committee sat for five years to examine and discuss the anti-trust laws of America, and finally submitted a report to the House of Representatives recommending that the anti-trust laws be strengthened for the benefit of the people of the United States.

In conclusion, I would like to mention again that the Minister for Industrial Development usually puts up a fairly strong argument.

Mr. Hawke: When was that?

Mr. W. HEGNEY: That was some time ago. But he put up a very weak argument this evening on the amendment moved by the member for Mt. Marshall. He discussed a number of matters which were quite irrelevant, and which had no relationship whatever to the amendment. I do not condemn the member for Mt. Marshall for moving his amendment; I commend him for doing so, and I only regret he sought leave to withdraw it.

I can assure the member for Mt. Marshall that his ideas on this subject are in complete accord with Labor policy. We would like to have this amendment tacked on to the Address-in-Reply, because it would be in the interests of Western Australia to let the Liberal Government know that the time has arrived for Western Australian industries to be protected. I support the amendment.

**MR. OLDFIELD** (Maylands) [7.51 p.m.]: It is not often that we have an amendment before the House with which members on both sides of the Chamber are in accord. This amendment which has been moved by one of the Government supporters finds 100 per cent. support from the Opposition. It should in fact have support from all supporters of the Government, because among the first words uttered by the Premier on his return from overseas on Friday, as reported in *The West Australian* on Saturday morning last, were that Western Australia did not want companies to come in and simply take over existing firms. That was what the Premier said. That was his considered opinion after having spent 4½ months overseas. During that time he no doubt saw what was happening overseas, and followed the trends that were taking place.

The Premier is convinced in his own mind that it is not a good thing for overseas companies to come in and take over established industries or enterprises. The amendment moved by the member for Mt. Marshall reads—

but wishes to express concern at the increased volume of overseas investment introduced for the sole purpose of taking over established Australian enterprises and industries.

Those are the words he seeks to add to the Address-in-Reply. Reading the amendment one could be excused for thinking—after reading the report of what the Premier said in Saturday morning's paper—that the Premier had arranged, before his arrival, to have the member for Mt. Marshall move just such an amendment.

We must take notice of the opinion of a number of leading Australians, not only in the political field, but also in the economic field; particularly when we debate matters of this kind. When we find no less a person than the Deputy Prime Minister of Australia (Mr. McEwen) deciding that there is too much overseas capital coming into Australia purely and simply for takeover purposes, we must really sound out the reasons why he comes to those conclusions. We must also consider very carefully the opinions expressed from time to time by leading economists. Several such contributions have been made by John Eddy.

The latest and most relevant opinion that has been expressed has been by a man who has had considerable experience of this sort of thing. Some economists have pointed out what is happening in Canada as a result of American over-investment; and in this connection I would like to read the opinion of a Canadian expert, which appeared in a feature article of *The West Australian* of the 29th August, 1963. It reads as follows:—

Australia, be warned by Canada's mistakes. If American (or any other foreign) capital is allowed too big a

hold on Australian industry, it will breed bitterness and frustration.

That was the opinion of Professor Ewing, who further says—

Canada lives its whole life in the shadow of the giant right alongside it. America even dominates Canadian elections.

I think certain big industries from the United Kingdom have had a considerable effect on elections held in this State. I refer particularly to the influence of Sir Halford Reddish. Accordingly I can understand what is happening in Canada. Professor Ewing also said—

Mr. Diefenbaker went out and Mr. Pearson came in this year largely over U.S. control of warheads for Canadian defence missiles and arguments about U.S. ownership of Canadian industries.

After the questioner pointed out to Professor Ewing that American or British-owned factories situated in Australia provided jobs for Australians, he asked the professor what were the precise drawbacks to having big foreign holdings in Australian industry; to which the professor replied—

Profits made in Australia by selling products to Australians do not stay in Australia, but go to the foreign stock holders.

(Perhaps the best known American investment in Australia is General Motors-Holden's Pty. Ltd., which made a trading profit of £15,412,548 in the year ended December 31, 1962. This gave a dividend of £11,854,000, ALL of which was taken out of Australia by the Americans who own G.M.H.—General Motors Corporation of America.)

The second point made by Professor Ewing was that—

The policy of a foreign-owned Australian company is made in London, New York, Hong Kong, The Hague, to suit the global requirement of the company, not to advance Australia's interests.

I would like to repeat that opinion—"to suit the global requirements of the company, not to advance Australia's interests." The next point the professor made was that—

Australians are usually debarred from the best jobs in their own company because the top executives are sent out from the foreign head office.

Foreign ownership of a factory may keep it out of Australia's drive for exports.

Professor Ewing thinks that many a parent company sees to it that its Australian offshoot does not export;

so doing, it might compete with another offshoot of the same parent in another country.

We can only agree with that view, because we have seen that sort of thing happen throughout the world so far as the integrated oil industry is concerned—by that I mean those companies that produce oil from the well, and take it from the well through all processes to the service station. The article continues—

Many Australian economists have been thinking along the same lines as Professor Ewing, because foreign private investment in Australia has now grown to 18 per cent. of the total private investment.

Professor Ewing believes that the Australian Government should make it legally compulsory for every £51 of foreign capital invested in an Australian company to be matched by £49 of Australian capital.

Whether the last opinion expressed by the professor will overcome the ills, I do not know. No doubt economists throughout Australia could enlighten us further on that. There are, however, inherent dangers. There are many such inherent dangers in foreign ownership coming into this country, about which we are all concerned.

As Professor Ewing pointed out, Canada is suffering as a result of such a practice. What he has not said, however, but what is widely known by those who have studied the subject, is that Canada has a permanent 600,000 unemployed built into its economy as a result of foreign investment and ownership.

There is too much outflow of capital from the profits of industry in Canada and from the exploitation of the country's raw materials, resources, and mineral leases, because capital investment in industry in Canada is predominantly American. The outflow of capital from the profits in industry is effected to satisfy Wall Street stockholders, with scant regard being paid to the economic conditions prevailing in Canada. Those investors are interested only in the profits and dividend paid to their stockholders, and as a result we see a permanent force of 600,000 unemployed inbuilt into the economy of that country. What is more frightening is that Canadians have evidently come to accept, for all time, the belief that there is no alternative other than to suffer under such a disgraceful state of affairs.

From the Canadian experience—although in dealing with the amendment to the Address-in-Reply we are thinking more on an Australian level—one could say that the record rate of unemployment which exists in Western Australia at the moment is, evidently brought about not only by overseas investments, but also by Easter States investments. Far too much of the

profits being made in Western Australia outflows to the Eastern States and overseas, instead of being retained in Western Australia to be circulated and re-circulated, and thus keeping industry and employment in the State going at full pace.

When the Minister for Industrial Development spoke earlier this evening he used as one of his arguments the fact that the Deputy Leader of the Opposition—when he was the Deputy Premier of the State—visited the U.S.A. and tried to influence Dow Chemical Industries to set up an industry in this State. The Minister also referred to what was offered to that company. I am sure that you, Mr. Speaker, were almost at the point of calling the Minister to order, to conform with the procedure of the House, because I could not see any relationship between new industry or capital coming in to establish a new industry, and capital coming in to take over an existing industry.

I understand that a well-established flour-milling industry in this State, W. Thomas & Company, has received an offer from an overseas company in a pure take-over bid. We all know what will eventually happen. Some overseas firm will control not only the flourmilling industry of Western Australia, but also the bread-making and the bread distribution industries, because W. Thomas & Company virtually has a complete monopoly of the bread manufacturing industry here at the present time.

Another danger from too much foreign investment coming into Australia is that when foreign interests establish an industry—even if the industry is not already in existence and a new one has to be commenced—and use the profits from that industry to take over existing industries, they do that only to protect their investments; in other words, they do not want to put all their eggs in one basket. It is possibly good business from the point of view of overseas interests to take over an Australian industry, in the process of which they succeed in removing the ownership of the industry from Australians, and put it into the hands of foreigners. Possibly that is what has been occurring in Canada through the years.

It is better for us to heed the warnings before it is too late. It is time that steps were taken, not only on a State level but on a Federal level, to ensure that Australians are at least partners in all new industries being established by the inflow of foreign capital investment. In this respect we should recall what took place concerning General Motors Holdens.

When that company commenced operations in Australia certain of the preference shares were held by Australian investors. Then all of a sudden there was a freeze-out of the Australian shareholders, because the parent company decided to take a course whereby it would

not have to disclose the affairs contained in the balance-sheet, which it would have to do if it was registered as a public company. Because the parent company held the controlling shares in the Australian company, it bought out the Australian investors and froze their interests, and thus converted General Motors Holdens into an American-owned company completely.

We want some safeguards against that sort of practice if foreign investments are to come into this State. If they are brought in under agreement with Governments or under legislation there should be matching money from Australian investors. There should be some safeguard to protect Australian investors from being frozen out, as was done by the parent company in the case of General Motors Holdens.

I would like to conclude on this note: Here is an amendment to the Address-in-Reply which was moved by a supporter of the Government. Its wording is in complete agreement with what has been enunciated not only by the Deputy Prime Minister of Australia, but also by all the leading economists of this country. We have been warned by Professor Ewing, of Canada; and we should remember the words of the Premier when he spoke on Friday evening, as reported in Saturday's Press: that Western Australia did not want companies to come in and simply take over existing firms. I support the amendment.

**MR. FLETCHER** (Fremantle) [8.7 p.m.]: I also support the amendment moved by the member for Mt. Marshall which reads as follows:—

but wishes to express concern at the increased volume of overseas investment introduced for the sole purpose of taking over established Australian enterprises and industries.

I do not wish to cause any embarrassment to the honourable member, but in expressing that view he is in the distinguished company of Professor Ewing, who was referred to earlier in this debate. To some extent my thunder has been stolen by that authority being quoted.

However, Professor Ewing was quoted again in *The West Australian* of the 28th August, 1963. I have an earlier quotation of his views which appeared in *The West Australian* of the 19th August, as follows:—

Limit on Foreign Investment  
Urged

An American trade authority today urged Australia to impose some restrictions on foreign investment.

Unless the flow of overseas capital was regulated, Australia would soon find itself—like Canada—dominated by American interests, he said

Let me interpolate here. Having read that far, I am of the opinion that the member for Mt. Marshall was justified in moving his amendment, and he did so as a loyal Australian. I have no doubt he put party politics aside on that occasion, and he felt that both sides of the House should take cognisance of what is taking place. I deplore the fact that there have been recriminations on both sides of the House, when members accused those opposite, declaring, "You did this or that."

Here we have an opportunity to debate a matter rationally, and I welcome the chance to do so. To continue with this newspaper extract—

Professor John Ewing, associate professor of international trade and marketing at the Stanford University of California, is visiting Australia to hold a course in advanced management techniques.

I would urge front-bench members opposite to attend any seminar which Professor Ewing might convene, so that they can inform themselves of the effects that flow from overseas investment, possibly to the advantage of overseas investment, but possibly and probably to the detriment of Western Australia. To quote further—

He said that, no matter how great the capital inflow, outside domination was not good for Australia's economy. It was nonsense to suggest that all forms of restriction dissuaded foreign investors.

And yet the Government, immediately on coming into office, repealed the legislation which the Labor Government had on the Statute book. It did this as an excuse for attracting overseas investment.

Mr. Davies: They will have it back again soon.

Mr. FLETCHER: As the member for Victoria Park interjected, the Government will have it back again soon. Strangely enough, it is poetic justice that similar legislation is likely to be passed on a Federal level by this Government's Federal counterpart. Continuing—

Both Japan and Mexico had restricted foreign investment except—this is the important qualification—

... in partnership with local capital. This had not stopped foreign investment in those countries.

A basis of 49 per cent. Australian capital to 51 per cent. foreign investments would provide all the protection the Australian economy needed.

That is all the member for Mt. Marshall is endeavouring to do, and there was no need for the heat that has been shown. His Federal counterpart, The Hon. John McEwen, M.H.R., endeavoured to warn Australia in this respect; and I suggest to all Country Party members that it is

worthy of their support. I would have been reluctant to see the member for Mt. Marshall withdraw the amendment in question. To quote further—

It would prevent foreign companies from buying up the Australian shareholding and returning all dividends to overseas shareholders.

The previous speaker who has just resumed his seat pointed out how the few shares previously held by Australian investors in General Motors Holdens were acquired by the parent company and the entire profits from the Australian concern now go overseas. I welcome the employment opportunities in Australia that flow from that company and the economic advantage that comes from the wages those employees receive, and the business that does accrue. However, it is deplorable that such a large amount of profit goes overseas when at least some of it could have been held in Australia.

This should have been the position out of loyalty to Australia in that the birth of this huge enterprise was as a result of finance made available by our great leader, the late Mr. Chifley, during his regime. I am not sure whether the amount was £1,750,000 or £750,000, but a small original capital outlay is producing a profit of £15,000,000 as a result of making what was originally termed a "people's car," at a price people can hardly afford to pay.

I submit the amendment is justified if it can draw attention to such an anomaly as people paying exorbitant prices as a consequence of someone overseas owning a company and charging whatever prices they like, and obtaining such a high return at the expense of the Australian community. As I said before, I deplore the recriminations that have taken place. I think the warning that the member for Mt. Marshall has given to Western Australia is well and truly justified.

Reference was made earlier to the Hawker Siddeley takeover. The Minister for Industrial Development, in an endeavour to justify it, said that it had advantaged Western Australia. That has been capably dealt with by our front-bench members, but I do notice that one important point has been overlooked.

In contradiction of the Minister for Industrial Development, I would like to inform him I have not forgotten that immediately after that takeover the price of timber increased by 10 per cent., which shows the confounded effrontery of overseas interests. One would have thought the company would have waited a few weeks or months before increasing the price of timber. This, as I said before, shows the effrontery of these overseas interests. Those interests having acquired that splendid asset, the Banksiadale Mill has since burned down and a brand new mill with

brand new plant and equipment will be built with funds provided by the State Government Insurance Office, which I believe underwrites the company from the point of view of insurance.

I welcome back the Premier, and I welcome any advantage from his trip overseas that will accrue to this State on a financial basis. However, I do think the member for Mt. Marshall has introduced this amendment at an important time because it will inform those whom the Premier contacted that they cannot come here on their own terms; and they will have to acknowledge that fact. They will realise they will have to at least discuss terms on a fair and reasonable basis with the Western Australian Government to see that the people are not disadvantaged in the manner that previous speakers have outlined.

For example, if our Premier, say, had contacted some overseas company that could can fish, and that fish canning company could come here to Western Australia—I hope the Premier is listening—on a partnership basis—

Mr. H. May: He is all ears.

Mr. FLETCHER: —I would welcome such capital. As I pointed out in my Address-in-Reply speech, there are tons and tons of fish off our coast that could be canned to the advantage not only of Western Australia, but of the hungry millions to the north of us. If capital were available to Western Australia and to our fishing industry on an equal partnership basis—and that could be achieved as a consequence of this amendment—I think the amendment would be thoroughly justified. As I have said, I will be willing to encourage overseas interests if they are willing to accept the fact that we are entitled to 50 per cent. in any undertaking established in Western Australia.

Great play has been made in regard to B.P. and what an achievement it was to have it established in this State. That is something I also welcomed and also the opportunities for employment that flow from its establishment, but I admit also that there is a terrific profit from that enterprise in Western Australia, and the biggest percentage of that profit leaves Australia. I would also point out that the money of the taxpayers—something like £6,000,000—was used for the purpose of dredging a channel for almost the sole right of that company to steam in and out of the Cockburn Sound area. I admit it is now used by B.H.P., and will be by other industries in the future.

Investment should not be an entirely one-sided business. Like all Western Australians, I do not wish to see this State become an economic American satellite.

However, if we continue in the manner we have done in the past—I will read some revealing figures later—we will rapidly become a satellite and will soon be in orbit around American and overseas interests.

I just heard an interjection "Rot", but I will read some figures later to substantiate what I have said in that respect. If the honourable member who interjected had been listening earlier he would have heard me say that I would accept overseas investment on a 50-50 basis so that Western Australia would be sure of gaining something.

Mr. Ross Hutchinson: I did not say "Rot". Actually I did not say anything at all.

Mr. FLETCHER: What I am endeavouring to show is that if we become too dependent on overseas investment, our policy is likely to be dictated by representatives of those overseas interests. I believe the situation in Canada is very pertinent, as was pointed out earlier. I do not want to go over all that again but I would submit that it has been alleged there is a push-button economy in Canada, but the Canadians complain that the push button is in Washington.

I think that should be of concern to Western Australia, and I believe the member for Mt. Marshall has drawn the attention of the House, in its entirety, to the prospect of that happening here. He is of the same opinion as Professor Ewing and others. We do not want to become a little Sir Echo of those who invest in Australia.

I remember reading frequently of overseas investors saying that it is desirable there should be a suitable political climate in the country in which they invest. By "suitable political climate" I assume they mean that those on this side of the House should not be in Government; that they would prefer the policy of the present Government because it would be more sympathetic to takeovers and allow them to help themselves to the resources of Western Australia at the expense of the community.

The prospects in the world today from the point of view of big overseas investment is rapidly dwindling. The situation in Cuba today is the result of huge American investment there. Had it not been for the policies of American investors in Cuba, and had it not been for a Battista, there would not now be a Castro. It is as simple as that.

I promised to quote some figures in regard to investment in Australia. They are, I am sure, relevant to the amendment moved by the member for Mt. Marshall. I am going to quote these figures from a publication called Brian Fitzpatrick's *Labor News Letter*. It should not, because it is

a Labor news letter, be suspect by members of the other side, because the author quotes authorities to support the figures given. He addresses it to me, "Dear Subscriber". I sincerely wish there were more subscribers among members of the opposite side because they would be better informed as a consequence. The news letter reads—

Dear Subscriber,

Benefits of overseas capital investment, in a country like Australia, are pretty well understood. The disadvantages are less advertised. They need publicising, now that American takeovers of Australian businesses are chronicled almost every day in the financial pages . . . now that (four years to 1961-62) American new investment in Australia has risen to 38.5 per cent. of all new overseas investment, from a 12-year average, in the earlier post-war period, of 27.6 per cent. . . . now that American money invested in Australian companies exceeds the amount invested in, e.g. French company shares—

And these are the important figures—

—(\$841 million in 1961, according to "Survey of Current Business", August 1962; compared with U.S. direct investment in Germany, \$1,170 million, Britain, \$3,523 million, and Canada,—

And this is where the concern comes in—

—\$11,804 million). . . . now that a year's total of new American money invested here may be exceeded in amount by the total outward flow of dollar dividends remitted to American investors. . . . now that (1962) more than 1,200 Australian firms, including more than 300 branches or subsidiaries of American corporations, are associated with American firms, compared with 1,000 (200) only two years earlier (Department of Trade publications, "U.S. Investment in Australian Manufacturing Industry 1960", and "Directory of U.S. Investment in Australian Manufacturing Industry 1962") . . .

"A country like Australia" means one with a relatively high material living standard, having industrial metals in good supply, power—though not oil-power—resources fairly well developed, and in process of sustained development. A country with a history of about half a century's efficient steel and other metals production. Housing a number of well established and efficient consumer-goods firms processing native products—and now falling like ninepins to irresistibly attractive U.S. takeover bids—so that nothing is added to the economy but fresh drains made on Australian balances overseas.

As a consequence we have to work harder and harder to export more and more to

overcome the disparity between exports and imports. Further on, the news letter reads—

U.S. Takeover company stands SECOND in list:

But already an American food-manufacturing company is No. 2, in the 1962 Review of the Market list issued by the sharebroking firm, Corrie & Co. This big operator is National Dairy Products Corporation, registered in U.S.A. and with total shareholders' funds of £207,585,241. This is the giant that bought out the big Australian manufacturers of Kraft Holdings and paid 40 per cent. dividend in 1960 and 1961, 44 per cent. last year.

Here is this huge overseas company which has come in and taken over a company that was already manufacturing these products, and last year it made a 44 per cent. dividend and made it at the expense of the general public—people whom we on this side represent, and whom many Country Party members represent and for whom they apparently feel concern, because the amendment emanated from that side of the House. I am reading this to justify the amendment, and I would have been very sad had it been withdrawn because it has given us an opportunity to make known these facts to the House. Further on in this same publication is the following:—

Not that all the profits go down the drain in dollar dividends:

Oh, no! Ford (Aust.) put its whole profit of £3 million back into the business, and G.M.-H. as we saw "ploughed back" nearly £4 million. But the American owners can afford to wait—for the 40 per cent., 80 per cent., 100 per cent. dividends which soon will be forthcoming, out of future profits made by use of that Australian money which now becomes American capital.

Are members opposite analysing what I am saying?

Mr. Burt: No!

Mr. Hawke: No!

A member: You have woken them up!

Mr. FLETCHER: They are not even listening! That is a deplorable state!

Mr. Hawke: They are listening, but they are not understanding.

Mr. FLETCHER: Somebody did at least say, "You have woken them up"; and that was my purpose. This splendid little publication shows that the huge profits made by the Ford Motor Company and the General Motors Holdens Company came out of the pockets of the Australian people and are now on their way to America. If we were in a decent and reasonable partnership with those firms,

as parliamentary members could ensure that they were not making such exorbitant profits at the expense of those we represent. I would not invest in such dubious undertakings; in something which exploits the general public.

This publication shows that money which has come out of the pockets of the Australian people is on its way to America, and we have to work harder and harder in the way of providing exports to try to overtake the lag. Not only do we suffer by having that money taken out of Australia, but we have to work harder to offset the adverse trade balance which flows from us. I quote further—

The financial journals chronicle, week by week, more instances of this process of delayed digestion incidental to the planned acquisition of Australian assets by giant American gobblers.

The language might seem a little extravagant, but at least it is very explanatory. I am not denying reasonable profits to reasonable companies, but they are unreasonable when Western Australia has no participation in those companies. Quoting further—

Thus Mobil Oil Aust. Ltd., in its first disclosed results, disclosed net profit of £2,759,127, and no dividend. While giants which have long ravaged the peasants—

the peasants they allude to are those in countries such as South America—

can now afford to remit millions in dollar dividends, Goodyear Tyre and Rubber Co. (Aust.) Ltd. for example paying dividend of 85 per cent. last year, out of its net profit of £1,554,805, the huge new American oil and petrochemical operators on the Australian scene bide their time and put Australian £s back to work to make American \$s.

What could be more simple and more explicit than that? The profits which are being made here are being ploughed back; but they are biding their time until companies can mushroom like the General Motors Holdens Company, which is making an annual profit of £15,000,000; and other organisations are doing the same at Australia's expense—at the expense of farmers and others who are dependent on the products which they produce and sell.

If for no other reason the amendment is quite justified as a consequence of what it does to those engaged in the primary industry, and even to the driver of a car who goes out on a Sunday afternoon for a pleasant Sunday afternoon's drive. I have here Vol. V, No. 53, of the *Labor News Letter*. It is dated the 30th August, 1963. I have not had sufficient time to digest it, but there is some worth-while material of a similar nature in this publication. With

the indulgence of the House I propose to read it, because it is vitally important. It says—

Dear Subscriber,

You who have followed our fortunes as a one-man band over the years—I have done this since I have been reading the publication, ever since the publication came into existence—

may recall that we have often pointed out that ever-mounting U.S. capital investment in Australian companies was something for Labor to watch.

And that is nothing more than we on this side of the House are endeavouring to do with our other State and Federal counterparts; and which the member for Mt. Marshall—for which I commend him—is endeavouring to do. The publication further continues—

We have, while recognising the value of much U.S. money—

which I do—I admit quite frankly—so long as it is here subject to the elected representatives of this State and of the Commonwealth of Australia. I read further—

and U.S. skills, put into new large manufacturing industries, drawn attention to the horrible example of Canada where more than half of manufacturing industry is owned by American investors, and "Canadian" policy, now including nuclear policy, is American-dictated.

Further on the publication says—

Pointed out that the day will come when dollar-dividend payments out will exceed new dollar investment in—

And it is in an endeavour to prevent this same situation that we on this side of the House have risen to take exception to such a prospect, and support the amendment as introduced by the member for Mt. Marshall. To continue quoting—

and then we shall be in the financial soup in a big way, especially if big U.S. companies suddenly repatriate capital as well, a step which nothing in our law prevents.

I hope the Minister for Industrial Development listened to the last part of the quotation. He said, in effect, that there was no prospect of the repatriation of capital out of Western Australia, but this little publication is pointing out that our law, as it stands, does not prevent such a situation.

Mr. COURT: I did not say there was no prospect of capital going out. I said we have control of it. There is ample power under the Constitution.

Mr. FLETCHER: If the Minister did not say that, then I misunderstood him. Further, in the same publication, I propose to quote what our splendid leader, Mr. Calwell,

said on the 15th August, when he was speaking on a Federal basis. The publication says—

That this House expresses its concern at our increasing dependence on overseas investment and the tendency for such investment to buy out established enterprises, instead of establishing industries for new products or in new areas.

Members on this side of the House subscribe to such a policy and support the amendment; and I suggest to members opposite that they should do likewise. Further down, our leader is quoted as saying—

We welcome overseas investment—And I hope the Premier is listening. I quote further—

—when it genuinely contributes to the growth and prosperity of this nation. We do not applaud investment that merely takes over control of existing, well-established Australian industries. We believe that because our real need for overseas capital springs from our need for national development, foreign investment should be encouraged for the purpose of undertaking genuine development.

I ask for the attention of members opposite in that respect. I should like to emphasise this portion—

We believe that provision should be made to ensure Australian equity in all Australian industry, whatever the origin of the capital controlling that industry may be. We believe that the control of basic Australian industries should remain in Australian hands. We believe that the present restriction of exports, imposed on Australian subsidiaries by British, American, and other foreign companies must be abolished if Australia is to make her way as a great trading nation.

He says this—and let me warn the House that we will do the same—

When we come to power we will legislate toward those ends. We believe that the Constitution already gives the Commonwealth power that will enable us to do those things.

I think I can finish on that note: that we on this side of the House subscribe to such a policy and consequently support enthusiastically the amendment, and hope that it will be carried.

**MR. ROWBERRY** (Warren) [8.40 p.m.]: I would like to say a few words on the amendment which is before the House. First of all, I want to comment on the point of order that was raised by the member for Mt. Lawley. I am not denying that the point was in order but what puzzled me was, even though the amendment has become the property of the

House, how any member gained access to the written amendment and found it was not signed. Mention has been made about bad form during the course of this debate and I leave the idea there.

This point, Mr. Speaker, is, in my opinion one of the most important for debate that has been brought before the House. Nothing could be more detrimental to a country than to sell its heritage for a mess of pottage, and this is exactly what is being envisaged in the amendment when it refers to the sole purpose of taking over manufacturers or industries.

I believe that the member for Mt. Marshall, in conjunction with quite a few of us on this side of the House—and I hope on the other side, too—is concerned with this point: the question of foreign capital coming in and taking over existing manufacturers or existing industries. Mention has been made about investments and about capital. There seems to be a bit of confusion as to what constitutes capital, but I believe the member for Mt. Marshall was concerned about finance capital and not industrial or machinery or asset capital which cannot be shifted once it is established in a country.

It is a strange thing that most people have, as was quoted by the Deputy Leader of the Opposition from an article in the *Weekend News* a few weeks ago, a very vague conception of what happens when a foreign organisation—or outside organisation—comes into a country and takes over an industry that has been established or establishes a new industry. Some people imagine that these organisations bring to the country boatloads of pound notes. But they do nothing of the sort. As a matter of fact, they take over industries by immediately writing a cheque upon themselves. To my mind this is the most important point and should concern us all.

A very interesting letter came into my possession within the last few days. It is from the Pioneer Book Shop. I will not read the whole of it but it is advertising a book on how to make a million, and this is very important to the issue which is before the House. The book is written by Mr. A. N. Parker who is the managing director of Universal Flexible Trust. From that title he should know what he is talking about, and he had this to say—

Making a million is not so impossible. Twenty thousand pounds invested in a cross-section of ordinary shares 80 years ago would today be worth a million and produce an income of £50,000 a year. In fact there is an annual value increase of only 4 per cent. Over the last 20 years the value increase has been 6.5 per cent annually. At that rate it would take only 60 years to turn 20,000 into a million.

Yet we have people, and some of them on the Government side of the House, who say investments are only brought about by the saving of money when investments become available for takeover bids.

The Minister for Industrial Development says that we who indulge in this sort of thinking are living in ivory towers; that we indulge in political knocking if we attack any of his so-called down-to-earth theories or down-to-earth factual statements. The facts I have quoted are real; they are not drawn out of the air. They are not compiled by someone who is living in an ivory tower. I would not imagine that the managing director of Universal Flexible Trusts would be living in an ivory tower; I should imagine he would be a hard-headed business man.

To illustrate the fallacy about investment being made possible by savings, if Adam, who we know was supposed to be the first man to live on this planet—and members will remember that he was a gardener who lived and worked and earned his bread by the sweat of his brow—had saved £3 a week from his personal earnings—and £3 a week is some accomplishment, especially when working on the land—he would not have saved a million pounds if he had lived until today. But, if he had invested 1s. of his first week's earnings—and do not tell me one cannot invest any less amount than £1, but for the purpose of this fallacy we will make it 1s.—he would now own the whole of the earth and everything in it, and, I suppose, everybody in it, too.

So it will be seen that we have to be careful in this matter of foreign investment. We have to be careful that we have a full share of the invested finance capital. I make the point that there is a difference between finance capital and assets in any industry or building. Mention has been made that the reason for bringing outside concerns to this country to invest their money is for the sole purpose, or supreme purpose, of employing our own people: especially of employing our young people of whom there seem to be quite a number present this evening.

The Minister for Industrial Development tried to justify the sale of the State Building Supplies on the point that it was not a takeover—or if it was a takeover, it was for the express purpose of expanding the industry. Another point that was made was that the foreign investments take earnings and profits out of the country and that those profits do not become available either as wages or purchasing power for the residents in the country concerned.

We have a specific case with Hawker Siddeley. This firm took over the State Building Supplies with a down payment of £200,000. The point was made previously during the debate, too, that this concern

came here and took over an existing industry and is paying for it out of the earnings of the industry. Hawker Siddeley came to this State and had handed to it on a plate a very valuable investment: the State Building Supplies with a capitalisation of over £3,000,000.

It was handed over to Hawker Siddeley for £200,000 down. In the last year of its existence the State Building Supplies made a gross profit of £201,000. So members can see the allegation about foreign firms coming into this country and taking over our industries and paying for them out of earnings is not ill-founded, because here is a case in point.

This year Hawker Siddeley has made a profit of some £68,000; and that, of course, will go to its shareholders in the Old Country. It cannot be said that the company brought any know-how into the industry, because it is employing exactly the same type of person, but not the same number of people. I said at the beginning that the reason for bringing industries into this country is to expand our economy and so enable us to employ our people and create employment for more people. But we find that Hawker Siddeley is employing fewer people than was the case when the company took over this great industry. So not only are profits being sent out of the country, but we also have a firm which is not concerned with the welfare of the people in the country.

When Governments try to induce investments from outside—and good luck to them—the ultimate aim should be the welfare and the happiness of the people; and if it is the Western Australian Government, the welfare and happiness of the people of Western Australia should be the Government's prime consideration. But that has not been so in this case. In spite of the fact that the State Building Supplies made a gross profit of £201,000 in the last year of its existence as a State enterprise, £158,000 was paid into Consolidated Revenue and was available for further spending in Western Australia, in contradistinction to the £68,000 which is being made and paid to overseas investors by Hawker Siddeley. But that is not all. There was a balance of £15,000 brought forward and deducted, and a credit balance of £53,000 in addition to the £65,000 profit.

The State Building Supplies were established to create employment in Western Australia and to develop our forests. When Hawker Siddeley took over the concern it did not bring any overseas know-how into the industry. It is using exactly the same staff, and exactly the same kind of work is being done. The people employed are using the same skills, but fewer of them are employed. The company made a profit of £68,000; but at whose expense?

At the expense of the people of the State generally, and at the expense of those who are not now employed.

Therefore I believe I have something in common with the member for Mt. Marshall when he moves an amendment like this. I think he is to be commended for it. I do not think he did it to disturb or perturb the Government but because he honestly believes that we are reaching such a pass there is a danger of over-foreign investment not only in Western Australia but throughout the rest of Australia also.

The Premier said people everywhere are vying for capital. What if they are? What do members think capital is looking for? Do they think capital is looking for a kindly-natured country with people in it who are wanting to be employed, and are just dying to embrace them? Do they think that hard-hearted investors, and managers of investment companies, or managers of big industrial concerns are looking for that sort of situation? No, sir! They are looking for some place where they can invest their money at the greatest possible profit. They make no bones about it. That is why they are in existence.

The Minister for Industrial Development decides that a company's efficiency is governed by the amount of profit shown in the company's profit and loss account at the end of the trading year. But that is not everything. In this particular instance the profit was made at the expense of the taxpayers of the State, and at the expense of the people who were employed in the industry. So I think it is time we raised our voices in protest.

I also want to point out to the House that the sale of the State Building Supplies cost this State £1,560,868. If members want verification of this statement they can look at the Auditor-General's report for the year ended 1962. That report was presented to the House too late for proper examination and debate, but not too late for some of us to catch up with what was written by the Auditor-General. Here is another point in that regard. There has been misrepresentation by the Government as to the price that was paid for the State Building Supplies.

The SPEAKER (Mr. Hearman): Order! I do not think I can allow the honourable member to continue the debate along those lines. That is past history. This amendment deals with the present.

Mr. ROWBERRY: I bow to your ruling and superior knowledge, Mr. Speaker, but I do not think we can be debarred from discussing past history because during the debate we have had nothing but past history thrown from one front bench to the other.

The SPEAKER (Mr. Hearman): I think you had better relate it to the amendment. I do not think what you are saying is related to the amendment.

Mr. ROWBERRY: A point was made about the Standing Orders requiring a signature for an amendment and you, Mr. Speaker, told us that you had never had a signature to an amendment. So where do we go from there? At a certain point in the debate do we suddenly close down and deprive those members who follow from debating by cut and thrust what has already been said during the debate? I think you will admit that would be unfair Mr. Speaker.

However, I have not very much more to say. I have made my point regarding the State Building Supplies, and if I did not make it now I would on the Estimate later, so it does not really matter. In closing I would like to commend the member for Mt. Marshall for moving the amendment. I cannot take the point of the Minister for Industrial Development when he says that to allow an amendment to an Address-in-Reply would be bad form. It is really bad form on the part of the Government. However, it is an attitude which has distinguished it since taken in office; namely, that it is too big for it boots and will not be told by anyone.

MR. DAVIES (Victoria Park) [9 p.m.]: I have not much to say on the amendment because most of the authorities have already been quoted by previous speakers. Nevertheless, members of the Government have been strangely quiet on a matter which is of vital importance to the State. I would have imagined that several members on the front Government bench would be on their feet before this anxious to defend the Government attitude. That has not been so; and by their silence one can only assume that the most members of the Government, including those on the front bench—with the exception of the Minister for Industrial Development who has been the only speaker from the Government side, apart from the mover of the amendment—are in favour of the proposition presented to the House by the member for Mt. Marshall.

It must have been a shock to the Premier to return from his overseas trip to find such an amendment to the motion awaiting him. I do not think he would have commended the member for Mt. Marshall for his adroit timing in moving the amendment only a few hours before his return to the State.

Mr. Ross Hutchinson: How would Labor Premier react on finding such an amendment before the House on returning to this State from an overseas trip?

Mr. Hawke: We would discuss the subject on its merits, as we are doing now.

Mr. DAVIES: It emphasises the resentment that exists between members of the Country Party and members of the Liberal Party at the present time. Considerable concern has already been expressed by previous speakers; and, as I have already mentioned, I do not propose to go over that ground again. However, from the authorities that have been quoted it is quite apparent that the Government—whichever it may be—should take the utmost precautions to ensure that Australia is kept for Australians and that it shall not be a happy hunting ground—or perhaps a happy shopping ground—for overseas investors. Nevertheless, it appears that that is what is happening, particularly among some of the big companies.

Of course, it is an open go in this State. One can do what one likes here. One can rob the public as often as one likes and there is no Government control. When he was speaking, the Minister for Industrial Development said that some action would be taken, but he did not even suggest what action could be taken. Apparently the Government is quite prepared to let any company enter the State and conduct the undertaking in which it is interested on its own terms; but undoubtedly a day of reckoning will come. Already we have had experience of that.

During the weekend—perhaps this was a poor timing also—the Minister for Industrial Development was apparently invited to write an article dealing with overseas capital which article was published in the *Weekend News*. On reading through it I cannot find at any stage where he has expressed grave concern over the point raised in the amendment moved by the member for Mt. Marshall. Probably the most important aspect of the article is the graph or illustration which accompanies it. This shows the amount of private overseas investment in companies in Australia, and it looks very good. On the face of it, it shows that book assets in Australia amount to £378,000,000. That appears to be a large figure, but one wonders whether the book assets are overvalued. One has only to look at the book assets of some financial companies which recently have been found wanting for sufficient capital, and one finds that the book assets are very far from the true assets.

In the £378,000,000 of overseas companies' book assets in Australia, there has been derived—according to this graph in the *Weekend News*—income of 110,400,000 from direct investment payable overseas by companies in Australia. As against £378,000,000, that amount does not appear to be very great, but one has to consider that it represents almost one-third of the companies' book investments which goes out of the country in one year. These are the figures for 1960-61. Any

investor would be happy to know he was going to get that return in profit from his investment in three years' time.

When the Minister says that what we should look for is a pioneering spirit, we look for people who are prepared to risk capital. However, on the figures that have been made available in this article in the *Weekend News* I do not think the position reflects any pioneering spirit, because little risk is involved. I would be more than happy, in those circumstances, if I thought that at the end of three years I was going to have all my capital repaid to me.

Another figure on the graph shows that the annual inflow to Australia, from overseas capital invested, was £232,300,000.

The SPEAKER (Mr. Hearman): The honourable member will have to devote his remarks to the amendment and not speak generally on Australian industries.

Mr. DAVIES: Once again, like other members before me, I must bow to your ruling, Mr. Speaker; but from the figures quoted in this newspaper article I am unable to determine whether any of this money which has been invested by overseas companies came to Australia for the sole purpose of taking over established industries or for new investment. So I find that if I cannot differentiate, I can only deal with the figures as quoted, and I would be happy if you would allow me to finish the few remarks I have to make on them.

The SPEAKER (Mr. Hearman): I would like the honourable member to bear in mind the amendment before the House.

Mr. DAVIES: The figure of £232,300,000 quoted in this graph would appear to be very healthy, but in smaller type printed at the bottom of the graph it is shown that the annual inflow of capital dropped from £232,300,000 in 1960-61 to £131,700,000 in 1961-62. That is a decrease of almost half. That is the trend about which we must be careful when attracting capital from overseas; namely, the danger of the source of capital drying up. We certainly must not accept everything for the purpose of "blowing up" figures; instead, we should be sure that the capital coming into Australia is for a good purpose and not for the sole purpose of taking over established industries.

Possibly, many of the established industries have already been taken over; and this would account, in no small measure, for the fact that the annual inflow of capital into Australia dropped so alarmingly during 1961-62 as compared with the inflow of capital in the previous financial year. It may be felt that this capital coming into Australia from overseas companies is for the purpose mentioned by the member for Mt. Marshall and members of the Opposition.

In this regard I was particularly interested in the results of a Gallup poll which was printed in the *Daily News* on the 22nd March, 1963, because I had been approached on the question which was the subject of the poll. I had never heard of anybody being approached before on a Gallup poll, so therefore I did not expect to be approached myself. However, for the information of members, I think the article in the *Daily News* is well worth reading. It is as follows:—

Most people think foreign investment here is at least partly to our advantage, but opinion is divided as to whether it will be much to our advantage in the long run.

The question asked in this Australia-wide survey was:

Do you think that, on the whole, investment of foreign capital here will ultimately prove to be much to our advantage, or partly to our advantage, or against our interests?

The question asked in this Australia-wide survey was—

Do you think that, on the whole, investment of foreign capital here will ultimately prove to be much to our advantage, or partly to our advantage, or against our interests?

Altogether 1,700 people were interviewed—including the member for Victoria Park—and the answers were—

43 per cent.: "Ultimately much to our advantage"; 33 per cent.: "Partly to our advantage"; 12 per cent.: "Against our interests"; 12 per cent.: "No opinion."

That, I think, is a remarkably high proportion of people who expressed no opinion—it is high in any Gallup poll. The article continues—

Men and women, as separate groups, gave similar answers, except that most of those without opinions on this subject are women.

There was no great difference between the answers of Labor and L.C.P. voters.

Those who think foreign investment here will ultimately be much to our advantage usually said:

Without foreign capital, Australia will not progress.

Australia needs the money.

It creates employment.

Usual comments by those who think foreign investment here will prove to be partly to our advantage were:

Control and limit it.

Provided the money remains here.

It depends on which countries invest here.

Those who think foreign investment is against our interests usually said "Too much money will ultimately go out of the country."

That is the entire item as it appeared in the *Daily News* of the 22nd March, 1963. The interesting point is that although 43 per cent. of the people were of the opinion that it would ultimately be to our advantage, a total of 45 per cent. had doubts about it, and one of the doubts expressed was that too much money would ultimately go out of the country.

The SPEAKER (Mr. Hearman): I think the honourable member will have to confine himself to the amendment.

Mr. DAVIES: I am sorry, Mr. Speaker. I appreciate that I may be wandering from the amendment a bit. The important point, however, is that made by the member for Warren earlier, to the effect that companies come here for the profit motive; to meet their own ends; in the main they are not prepared to spend a lot of money in pioneering new industry. They lack the pioneering spirit. But when one considers that they are playing around with other people's money, one can hardly blame them.

What do these people look for? The answer obviously is that they look for some sound investment where they can either expand or introduce some new ideas with a view to improving things. We all know that we cannot entirely do without capital, but we must be concerned at the move that is apparent; the move that has been well explained in this House tonight, concerning companies that come here with the sole purpose of taking over established industries in this State.

We want capital here; we want industries to create new work here and provide employment; but even in the case quoted by the Minister for Industrial Development—that of General Motors Holdens—I think there is a clear indication that we cannot expect these people to be very sympathetic to the working men in Australia as a whole; because we all recall that during the last credit squeeze these same people were very quick to sack several thousand employees in various factories. Accordingly I do not think they will be very concerned about the future of Australia. We want money to establish companies and enterprises that will benefit Western Australia and Australia as a whole.

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

Ayes—21

Mr. Brady	Mr. Kelly
Mr. Davies	Mr. Moir
Mr. Evans	Mr. Norton
Mr. Fletcher	Mr. Oldfield
Mr. Graham	Mr. Rhatigan
Mr. Hall	Mr. Rowberry
Mr. Hawke	Mr. Sewell
Mr. Heal	Mr. Toms
Mr. J. Hegney	Mr. Tonkin
Mr. W. Hegney	Mr. H. May
Mr. Jamieson	

(Teller,

## Noes—21

Mr. Bovell  
Mr. Brand  
Mr. Burt  
Mr. Court  
Mr. Craig  
Mr. Gayfer  
Mr. Grayden  
Mr. Guthrie  
Mr. Hart  
Dr. Henn  
Mr. Hutchinson

Mr. Lewis  
Mr. I. W. Manning  
Mr. W. A. Manning  
Mr. Mitchell  
Mr. Naider  
Mr. Nimmo  
Mr. O'Connor  
Mr. Wild  
Mr. Williams  
Mr. O'Neill

(Teller)

## Pairs

## Ayes

Mr. Bickerton  
Mr. Curran  
Mr. D. G. May

## Noes

Mr. Crommelin  
Mr. Runciman  
Mr. Dunn

The SPEAKER (Mr. Hearman): The voting being equal, I give my casting vote with the noes.

Amendment thus negatived.

Debate (on motion) Resumed

MR. OLDFIELD (Maylands) [9.19 a.m.]: I would like to join with previous speakers in paying tribute to those of our colleagues in another place who passed away in the last six months; and along with other members I extend my deepest sympathy to those they left behind.

I would now like to draw the attention of the appropriate Minister to the mosquito problem as it affects the metropolitan area. Mosquitoes have proved to be a nuisance not only in the past two summers but also during the winter months. I think most people living in the metropolitan area, especially those adjacent to the rivers, will agree that the mosquito nuisance in the past two years has been more acute than at any other time within living memory, despite all the modern methods of spraying and fogging which have been adopted to suppress it.

It is obvious that the aggravation of this nuisance has been brought about by the lack of co-ordination and co-operation between neighbouring local authorities along the river bank. It is well known that for the past two summers some local authorities did not take any steps whatsoever to suppress, or attempt to eradicate the mosquito. They failed to take steps because they found from experience that with the prevailing south-west breeze, or with the easterly in the summertime, the mosquitoes in their areas would be carried by the breeze across the river to the opposite shore. The people living in the areas on the opposite side were the ones to suffer the discomfort caused by this nuisance.

The lack of co-ordination and co-operation also resulted in the spectacle of one shire council using sprays and fogging machines to eradicate or suppress mosquitoes along the foreshore, and in lakes and low-lying ground within its district; and then a month or six weeks later another neighbouring shire council taking similar steps. In such an instance the mosquitoes from the area that was last

treated would fly over to the district which had received prior treatment, and where the effect of the sprays had worn off. Consequently mosquitoes began to breed again in the district which was first treated.

I would like the Minister for Health, during this year, to take steps to ensure co-ordination and co-operation between local authorities in suppressing the mosquito nuisance, if not in eradicating it completely. I would suggest that strong consideration be given to the employment of aerial spraying for this purpose. I am given to understand that aerial spraying, exclusive of the cost of the materials, can be undertaken for as low as 5s. an acre. I also understand that the Canning Shire Council has previously employed aerial spraying along the foreshore of the Canning River to combat the mosquito nuisance.

If we cannot obtain the co-operation of shire councils to share the expense involved in suppressing or getting rid of a very real nuisance, then legislation should be introduced along the lines of the Argentine Ant Act, under which the Government undertook to carry out treatment and complete eradication, in return for which the local authorities were billed; or to ensure that the local authorities took the necessary action in a given pattern within a specified time.

Another important matter I wish to touch on should concern every member of Parliament. A move was made some two years ago—somewhat belatedly—to impose a maximum building height covering the area surrounding Parliament House, or the area between Parliament House and the Swan River; but the Government of the day did not see fit to give the proposal any consideration. If we turn our eyes from this House towards the Narrows Bridge and the Causeway we see many multi-storeyed flats being commenced and many others completed. It is obvious that within ten years' time the view from this Parliament House will be completely blocked out by these multi-storeyed buildings in Mount Street and Malcolm Street.

Instead of the dream visualised by the town planners and by successive Governments that, when completed, Parliament House would dominate the end of St. George's Terrace, and would have a clear view over the city, we will see a different picture, because Parliament House in the future will be overshadowed by multi-storeyed flats constructed along Mount Street. People will not be able to see Parliament House from south of the river, nor will there be an unobstructed view of the city from here.

Another suggestion I wish to place before the Government is to have two sessions of Parliament each year. I realise it is a proposal which Governments run away from, and I also know that Ministers like to keep away from Parliament as much

as possible, because Parliament is a nuisance to their administration of the departments. The opposition to such a proposal could be overcome by time-tabling the two sessions each year, by holding an autumn session and a spring session.

Mr. W. Hegney: So that we can spring legislation on the Government

Mr. OLDFIELD: The Government could fix the commencing and the closing dates of each session, and naturally enough there would only be one Address-in-Reply debate because the second session of the year would be an adjourned session. Members would then have a better idea when Parliament would be in session, and of the dates. Furthermore, it would mean that members would not be seven months away from Parliament each year. At present the Ministry is virtually divorced from Parliament for seven months of the year; that is too long, and is bad for the Government and for members.

Such a break is not good for public relations between the electors and their parliamentary representatives; nor is it good in the eyes of the general public, because at present the public regards the recess as a seven months' holiday, although members know it is not. If there were two sessions of Parliament each year the Government could get through its business, and that would be better for public relations, and would also bring members closer to the Ministry.

If some decision were made to conform with my suggestion the matter could be taken a step further by doing away with the formal opening and the Address-in-Reply every year; and in their place having only one formal opening in each new Parliament once every three years, when the Address-in-Reply would be delivered. In the remaining two years of the life of a Parliament we could get down to business, without the formalities which have been followed in accordance with tradition.

From time to time much has been said about decentralisation. Along with some 20 members of this Parliament, I took the opportunity to accept the invitation of the Minister for Industrial Development to attend a seminar at the Cottesloe Civic Centre. The seminar was most enlightening and proved conclusively that decentralisation was impossible while the profit motive was uppermost in the minds of people who invest in industry.

If decentralisation is a necessary thing, or if centralisation is such that we wish to decentralise, possibly investigations could be made along the lines of utilising any factories that might be established for seasonal work in the country on a full-time basis.

We have a lot of itinerant labour that goes to the country for fruit picking, seasonal packing, and so on. This is more

marked in the Eastern States than it is here because of the fruit canneries operating for three or four months of the year and during the other eight or nine months remaining idle. As a result, the labourers have to move to the city to find employment and the young people are lost to the district, and only return for the seasonal work.

Necessity is the mother of invention, and we had decentralisation on the move—not in this State, at least in the other States—in the immediate post-war years I refer to the tobacco industry in the immediate post-war years. A large tobacco manufacturing company of Australia had difficulty in obtaining female labour employed in the stemmeries, where the stem is taken from the leaf prior to preparing it for manufacture. Labour and accommodation were scarce in the cities so this firm hit upon the bright idea of going out to a place like Shepparton in Victoria and other places where canneries were available; and during the period of eight or nine months that these canneries were idle for the purpose for which they were erected, the tobacco firm employed the female labour available within the district in stemming in the cannery. In other words, the cannery was temporarily converted to a stemmery. That went on for three, four, or five years. Unfortunately when accommodation in the cities became more readily available and the labour shortage was overcome somewhat, this manufacturing concern decided not to keep going with the country stemmeries.

However, the suggestion is there that possibly the Department of Industrial Development could assist, advise, and help in this direction with the possible establishment of a cannery which could operate as such for so many months in the year and to switch to something else in the off season. In other words, the capital investment would be more or less halved and labour would be readily available. This would keep the local labour within the country towns concerned and would promote opportunities for the young people of the district.

I now wish to move to a traffic matter. The Minister dealing with traffic matter is well and truly aware of the problem at Mt. Lawley subway and the Walcott Street Lord Street-Guildford Road intersection, would like to suggest that when the light at the subway on the Whatley Crescent Guildford Road intersection are at the red against the eastbound traffic—that is, the traffic travelling from Perth—that traffic be directed by a green arrow along Railway Parade. That traffic then, in turn, could find its way back into Guildford Road over the 3rd Avenue Bridge, 7th Avenue Bridge or Caledonian Avenue crossing. The green arrow would only operate whilst the lights were red against the eastbound traffic.

At the present time there are two lanes of eastbound traffic, but the right-hand lane is for right-hand turn only, and about 90 per cent. of the volume of the traffic wishes to continue along Guildford Road, and consequently only one lane is available for that volume of traffic. Each time the lights turn red against it the traffic banks up right behind Walcott Street, even as far back as Harold Street. As a consequence there are times when westbound traffic from the subway wishing to right turn into Walcott Street is unable to do so because of the bank-up. If the traffic were directed along Railway Parade to 3rd Avenue Bridge, or even further it would keep that one lane moving at all times, and keep the traffic flowing.

Mr. Craig: And it would come back to the highway?

Mr. OLDFIELD: Yes; a big percentage now turns left into Whatley Crescent. It would probably necessitate having Railway Parade catering for one-way traffic from the subway to, say, 3rd Avenue bridge. This would not cause any great discomfort to the residents of the area. In fact, it would be welcomed by a lot of people who are in favour.

I would like to touch upon another subject that has exercised the minds of members during this debate, and which was the subject of an amendment at one stage. I refer to unemployment. Following the defeat of the amendment on unemployment earlier in the Address-in-Reply, figures were realised for the month of July, and these appeared in *The West Australian* on Tuesday, the 20th August last, headed, "W.A.'s Unemployment Up; 6,600 Seek Work." The article goes on—

The employment situation in Western Australia continued to deteriorate last month, despite an improvement in the overall employment figures for Australia.

The number of registered unemployed in the State rose by 559 during the month to 6,612 representing 2.3 per cent. of the estimated work force.

That is the number of people who were registered. I understand the estimate today is something like 2.8 per cent. Furthermore, these figures or percentages deal only with those people actually registered for employment.

Each member of this Chamber knows full well that a number of people do not register for employment. Sometimes they have been out of work for six or eight weeks—even up to 10 weeks—and they approach their member of Parliament to see if he can assist them to find employment. When these people are asked if they are registered they say they are not, and that they have not made any application for unemployment relief. The figures released by Federal Labour Minister

McMahon state that the number of juniors registered for work in Western Australia is 1,795; and of these, 637 are boys or youths and 1,158 are girls or young lasses.

Those are the people we should be greatly concerned about. We have 1,700 young people out of work. They should be working because they require the income, and employment also keeps them off the streets. It is a time in their lives when they should be learning something. They should be receiving their education either in industry or commerce—whether they be typists, apprentices, or machinists in factories. Unfortunately, whilst they are out of work they are learning nothing. In fact, they stagnate. I think it is something to which we should give immediate attention so that we can provide full employment for these young people.

As far as the breadwinner is concerned there is nothing more heartbreaking or degrading than for a husband to come home night after night and report to the family that he has been unsuccessful in obtaining employment. Not only does it break his heart, but the family suffers. The children go without. At times it means that the father is unable to purchase the schoolbooks necessary for a child of high school age; and, in many instances, it necessitates the early school-leaving of a child who is well equipped for a brilliant tertiary education.

But worse is to come. On the 9th August a Mr. R. W. C. Anderson, Director of the Associated Chambers of Manufactures, forecast that there is going to be a further rise in unemployment to as high as 110,000 between October and January next. Although at this stage there are over 6,600 out of work in Western Australia, the total unemployment in Australia is something like 70,000; and we are told that this figure will jump to 110,000. That means we can, on this expert's figures, anticipate there will be 10,000 unemployed in Western Australia between October and January next. Therefore, I feel that urgent consideration should be given by the Government to getting things moving somewhere along the line, either by instituting major public works, or by making an approach to the Commonwealth Government for a special grant like that made to Queensland some two years ago. In this way, sufficient capital could be injected into the economy to start enough works to absorb the unemployment we have today, and also to obviate any aggravation of the problem.

Another matter to which the Government should give attention at this stage is that of assisting the West Australian National Football League to establish a league headquarters. During the Hawke Administration the then Minister for Housing made available to the league certain areas of land in various Housing

Commission districts which the league was going to develop into football ovals of first-class standard. This would have been done at no expense whatever to the local authorities concerned. However, when the present Administration took over, the Minister for Lands undid what the previous Minister had done, even though the previous Minister had been about to sign the requisite documents.

The situation now is that the West Australian National Football League, which is endeavouring to cater for crowds of 60,000 to 70,000 within the next two years and 100,000 within the next ten years, is unable to find suitable land. The Perth City Council has suggested, among other places, Burswood Island. This would require expenditure of a good deal of money and I have my doubts whether such a project would be permitted under the Health Act, since Heirisson Island is not to be used for any sporting venues because of its low-lying nature and the inability of any septic system or deep sewerage system to operate. I have no doubt the same would apply to Burswood Island.

I feel that the Government at this stage should help to influence the Perth City Council to give every assistance to the league in obtaining a suitable site. I understand that the grounds committee of the league has its eye on a site adjacent to the Perry Lakes stadium and this would be an admirable position because parking facilities and the road system have been designed to handle large crowds. The league is prepared not only to develop the ground at its own expense but also to provide additional parking facilities. I cannot see anything wrong with the league being given this assistance. In fact, I think the Government could possibly give it some financial assistance because, after all, football is our national sport, and the greatest spectator sport in Western Australia.

Although the Perry Lakes stadium is a white elephant from an economic point of view, it was a worth-while project because it provides amenities for other sports; and, perhaps rightly so, it was designed to be too small for football so that it would be reserved for sports other than football for all time. However, if the minor sports and amateur sports are able to enjoy such an amenity as the Perry Lakes stadium, I honestly feel that as the Government assisted with that project, some assistance at least in the granting of a suitable site should be given to the league in order that many thousands of people might enjoy themselves at the football.

There is another matter upon which I wish to make some comments and that is the number of chandeliers which have been placed in Parliament House. I am given to understand that the cost is something in the vicinity of £10,000, or will be,

by the time the new premises are completed. The cost might even be nearer £20,000.

Mr. Brady: They must be genuine crystal.

Mr. OLDFIELD: I do not know. I understand that those in the dining room, in the offices downstairs, and in the new wing, are £60 each.

Mr. Lewis: Is not that a matter for the House Committee?

Mr. OLDFIELD: Someone should be rapped over the knuckles for having spent that much on each individual light. They are useless. Half the globes are blown and it is impossible to write by their light. The fluorescent desk lights must be switched on. Someone along the line—whether it be the furnishing officers, the architects, or the House Committee—has been responsible for wasting public money in a way which was never intended.

They may be all right in the dining room because from time to time, on occasions such as this afternoon, others are present in the dining room. It may be all right in the corridors or in the reception hall. In those places it might be expected; but when there is one in each individual office so that by the time the House is completed there will be something like 150, it will be a full-time job for one man to change the blown globes. Today, while the Premier was speaking, one member counted 14 blown globes in the dining room.

Mr. Graham: There were four immediately over the head of the Premier.

Mr. OLDFIELD: There were 14 in the dining room alone today! I understand that the original globes are unprocurable. Chandeliers have been installed in the House, globes for which are not procurable in Australia, and makeshifts have had to be used, which is why they are always blowing. Somewhere along the line someone should be taken to task for ordering them in the first place for each individual office instead of the conventional lighting, which would have been adequate. And after all, who is there to see the chandelier? It is like hanging a chandelier in the bathroom, or the kitchen, at home. If one is going to have anything in the way of unusual lighting, one puts it in one's living room. If one is wealthy enough, like the member for Darling Range, to enjoy gracious living in a mansion, one would have it in the drawing room or the dining room.

I do not know what the cleaning costs of these chandeliers amount to, but they are certainly going to be high. I think at this stage we had better cut our losses and remove chandeliers from those places where they are not necessary; and we should install some conventional lighting. In five years we would cut our losses and there would be a saving in cleaning costs.

The first year they were put in—the session before last—*Hansard* reporters constantly had lighting experts from the Public Works Department taking light readings in the *Hansard* offices, because the lighting was not good enough. The chandeliers were supposed to be all night under a light meter. Most members whose offices are downstairs also complained, as did those members whose offices are on this floor.

Mr. Graham: The *Hansard* staff now have fluorescent lighting.

Mr. OLDFIELD: Yes. I understand they have been given an improved lighting system. The chandeliers were a failure, and I suggest they be taken out and sold at auction to people who want flash chandeliers for their homes. Chandeliers are unsuitable and out of character for an office wherein a member spends his days and evenings working.

I am also of the opinion that the arrangement whereby the cleaning of the new wing is undertaken by private contract should be altered immediately. Members are always inclined to leave quite a lot of confidential papers around on their desks. They do not lock everything away. As a matter of fact, we have not got the facilities to lock everything away. When I say confidential papers, I do not mean papers which might be of political advantage to the opposing party, but papers confidential to an elector.

Outside people are coming into the building, cleaning up the desks. Our own cleaning staff knew that if a file was left in a certain place, it should remain there. The same situation applied to material left on the desks of this House. Papers left on a member's desk were not moved by the cleaning staff. I know of a member who has lost three important letters in two days. The letters just disappeared from his desk. The letters related to the affairs of his electors.

In my opinion it is wrong that an outside cleaner should come in and clean up the offices. Confidential material is often left around. None of us have ever seen the cleaners, or are likely to see them. We do not know their names. We do not know the company's name and we do not know the names of its employees. Since it is a company, no doubt its employees will change from time to time, and we shall have no control over the type of person coming into the building and having access to members' rooms. The sooner the cleaning is brought back under the control of the controller and his staff the more secure will members feel, especially from the point of view of documents going astray.

In conclusion, I should like to touch on education. The matter on which I wish to speak has been quite a problem. I refer to the Junior and Leaving examinations. It is quite obvious that as the high school

population has increased, and as the percentage of the population seeking a tertiary education has increased, somebody has had the so called bright idea that the way to reduce the number of students to fill available accommodation is to toughen up the actual examinations. We have reached the situation where a person who was able to pass his Leaving examination some 10 or 20 years ago with, say, five distinctions, would today be hard pressed to obtain even a pass.

There was a time when scholarships were considered. This was when the Perth Modern School was operating. There were, I believe, 50 scholarships and 100 entrances available each year, and so 150 of the brightest pupils of the metropolitan area gained admission to the Modern School. But as the population doubled the number of scholarships and entrances did not increase *pro rata*. In my opinion we should settle down and keep the Junior and Leaving examinations at the same standard as existed in the past. They are yardsticks of the standard of education to be attained by the pupil.

Many people require only the Junior and Leaving examinations to receive a commercial or professional appointment or, in some instances, a trade appointment. A Junior certificate can be very helpful to somebody seeking an apprenticeship. It is a yardstick of the standard of education to be achieved and attained. Likewise, the Leaving certificate. Not every lad or girl who sits for the school Leaving certificate wants to go on to receive a tertiary education. They require the school Leaving certificate possibly to assist them in a commercial or banking career.

I suggest that we revert to the standard which existed previously, and if the University wishes to toughen up the matriculation standard, it may do so. It should set its own test for those students who wish to be admitted to the University.

In voicing those views, I am not alone. I voiced them some months ago. Since then I have noticed that the special committee, set up by the Minister, has suggested almost the same thing. The headmaster of Christ Church has expressed the need for a two-level examination. Professor Sanders of the Western Australian University agrees with that principle, and the Western Australian University Senate committee has also proposed it.

I am glad that the education authorities are becoming aware of the problem. They have admitted they are aware of it and they have stated what should be done. One educationist has suggested that it might take five years for the changeover to be brought about. I would like to suggest to the Minister for Education that he expedite the changeover as much as possible in accordance with the report of the committee and in accordance with the

thoughts and wishes of those educationists to whom I have referred. I support the motion.

**MR. RHATIGAN** (Kimberley) [9.59 p.m.]: I wish to offer a few constructive suggestions on this very important subject, the Address-in-Reply. I was pleased to note that in the Budget the Government has made provision for finance towards a deep-water port at Broome. The old jetty is certainly in a very bad state of repair and is a nightmare to skippers of State ships when they have to pull in alongside that jetty. As members know, of course, ships could be there for a period of up to five days and not be able to tie up at the jetty because of tides. That must mean a colossal loss to the State Shipping Service.

The provision of a deep-water port at Broome will also mean a saving to the Broome meat works of some £5 or £6 per head of stock treated for export. In the past it was necessary for the Broome freezing works to ship carcasses for export to Fremantle, and those carcasses were stored there pending the arrival of overseas vessels for shipment of the meat to the United Kingdom. That saving of some £5 or £6 a head can in turn be passed on to the grower and it will also enable the Broome freezing works to compete on what is a highly competitive market.

The antiquated method of shipping live-stock to Fremantle which was handed down to us by our forefathers, who had no other alternative, should be dispensed with. I think we have reached the stage where the shipment of livestock down south has become most antiquated, and the sooner the Government or private enterprise can find sufficient funds to build meat works in the north-west for the slaughtering and treatment of cattle there, particularly for chilled meat, the better it will be not only for the Kimberleys but for the whole of Western Australia.

It was very disturbing to learn that at the Wyndham Meat Works during at least the first two months of the killing season this year there was a loss of at least 30 lb. per head on cattle slaughtered at the works. That was the information I gained during my last visit. I repeat that it is disturbing, particularly when one considers the money that has been expended by both Commonwealth and State Governments on the provision of roads for use by road trains. The loss would be understandable had the old method of walking cattle by road into Wyndham been used, but the Kimberleys generally have experienced one of the best seasons on record.

I would go so far as to say that the position is disgusting, and I think it is brought about by absentee station owners not playing the game by the leases they hold. They are road training into the Wyndham Meat Works cattle which

would normally die on their stations, and at the same time they are road training the best of their stock to other meatworks in the Northern Territory and Queensland for slaughter. It is an alarming situation to say the least. These people should play the game by Western Australia and the properties they are leasing from the State.

Can any member tell me why the cattle slaughtered at the Wyndham Meat Works for at least the first two months of the killing season dropped 30 lb. in weight? There is only one obvious answer, and that is that the leaseholders of the properties in the area have supplied the meat-works at Wyndham with rubbish which would normally die on their stations. I could forgive them for that if I knew they were cleaning up their stations by that method. But there is something in this that wants looking into, and that is why I am most interested in the Bill which the Government proposes to introduce for the renewal of these million-acre properties. If there had been a bad season one could, perhaps, understand it, but the last season was one of the best on record. Something is obviously wrong and the Government needs to watch the position very closely.

I am greatly in favour of improved roads and the provision of road trains, but in this particular instance they have not been beneficial to the Wyndham Meat Works. I read in *The West Australian* the other day where the Minister for the North-West said that more stock had been slaughtered in Wyndham this year than in any previous year. That is a fact, but despite it the weight of the cattle slaughtered is down in comparison with previous years, when some of the cattle walked 300 miles to the Wyndham Meat Works. The absentee owners are evidently using up the road trains to send in stock which would normally die on their stations, and unless something is done to forbid that sort of thing we will be defeating the object of providing improved roads and road trains.

As regards the pastoral industry I have a most interesting report on the Kimberley cattle industry. This report has been distributed to the stations throughout the Kimberleys and it was prepared by Mr. Grant Smith, the Government cattle adviser who is stationed at Broome. It is a report with some meat in it, and if the Minister has sufficient copies available for members I think they would find some interesting facts in it. I have condensed the report and taken out of it what I think would be the most interesting information to give to the House. I have also added a few comments of my own and, with your permission, Mr. Speaker, I will read them. I quote—

The biggest percentage of Kimberley cattle are killed in only store condition, and to increase the production of beef for export it is essential that fattening areas close to meat

works be developed. It can be expected that East Kimberley cattle will be sold as young stores and fattened on irrigation.

The irrigation I have in mind is based on Kununurra. Despite the growing of cotton, rice, safflower, and so forth, this district will ultimately develop into a cattle-fattening area as in my humble opinion the foundation of the north will always be the pastoral industry. I believe that Kununurra will ultimately develop into a place for fattening cattle for nearby abattoirs or slaughtering facilities. In the West Kimberleys it would appear that for quite a number of years cattle will be sold as stores for export down south and, as a consequence, a lot of weight will be lost.

The first shipment of cattle to the north took place in 1892 and the antiquated method of shipping cattle then is still being used now. As I mentioned earlier, the object of any capital should be to provide abattoirs from either the contributions made by the taxpayers or from finance from private enterprise. Continuing to quote—

There are many millions of acres of pindan country in West Kimberley now producing nothing and trials which have been carried out by officers in the Department of Agriculture have proved that this pindan country which has water available at comparatively shallow depths will produce excellent quality beef if useless scrub is cleared and replaced with pasture grasses.

One small experimental area which was cleared on the Broome-Derby road and sown with Buffel and Birdwood grasses is now estimated to carry a beast to ten acres.

That is a very good average and could be obtained if proper machinery were used. Continuing—

If large areas of this pindan country on the west coast close to meatworks was cleared and sown to pasture the beef production potential of this coastal area would be immense as cattle now being sold for slaughter as stores could be fattened before slaughter. This would result in at least another 100 lbs. of beef on all cattle sold to meatworks.

The Queensland Government has realised the beef production potential of what is now useless brigalow country in that State and is developing this at any cost to increase beef production, but Agricultural Department officers in Kimberley are handicapped in their efforts to develop the pindan areas in this State by not being provided with the machinery required to clear and sow areas large enough to enable an estimate to be made of development costs.

In support of that, I have here an article taken from *The West Australian* in October, 1962, which reads as follows:—

Commonwealth Banking Corporation chairman Warren McDonald announced this today.

He returned to Canberra today after having spent two months in the United States, Canada and Mexico.

He saw the machines in use at the King Ranch, Texas, clearing land similar to Australian brigalow country.

"One machine breaks down trees, chews them up with its wheels, ploughs to a depth of 20 ins., and then sows seed behind it—all in a single operation.

"It clears land at the rate of 2½ m.p.h."

Mr. McDonald said that in Texas the land was left for from five to 12 years for the timber to rot, then secondary growth was plowed in with a 100 ft. plough.

This consisted of a massive chain with a disc welded to every link.

It was towed by a heavy tractor while a smaller tractor held it out at an angle of 60 deg. to plough a 75 ft. wide strip.

Such equipment would enable Australia to tackle clearing of big areas in W.A., Queensland, and N.S.W.

The 100 ft. plough might even have possibilities for sowing wheat.

Mr. McDonald said that the two machines coming to Australia would be available for observation.

They were not patented by the King Ranch which had developed them, and if suitable could be made in Australia.

American interests proposed sending to Australia an expert in jungle clearing with wide experience in Brazil and Cuba.

He would examine the possibility of clearing jungle in the high rainfall areas of Queensland and developing pasture for cattle fattening.

That is something well worth consideration by this Government. I have no doubt that these machines would prove to be of tremendous benefit in clearing the pindan country in and around the Broome area. The Agricultural Department officers are carrying out a marvellous job in the clearing they are doing with inefficient machinery, but there is no doubt they are working under great difficulty. For the information of members, pindan country is sandy country, timbered rather thickly with a light type of timber, but on being cleared it will grow buffel and birdwood grasses and produce what is commonly known as good cattle-fattening country.

Mr. Grant Smith's report continues as follows:—

Several millions of Government funds are being expended on beef roads in the Kimberley district which it is claimed will increase the production of beef for export. Although roads suited to the road transport of cattle from stations to meatworks are very essential to the general development of this area and to the development of the Kimberley cattle and beef industry in particular, they cannot in any way make a contribution to increasing the production or improving the quality of cattle and beef.

That has been proved by the weights and percentages recorded at the Wyndham Meatworks this year. Continuing—

Roads for cattle trains will enable cattle susceptible to tick fever to be delivered to markets without loss from this disease and save any loss in weight of cattle being droven over flogged out stock routes but the value of the cattle and beef saved as a result of road train transport will be a very poor return to the cost of building roads if the Government does not quickly take some positive action and direct the lessees to fence their stations, not only to preserve the natural pastures which must be the basis of the Kimberley cattle and beef industry, but to get their cattle under control to increase production by much-improved methods of station management to justify the cost of the beef roads. For production to increase a start must be made where the cattle are bred, on the stations, and trials which have recently been carried out in the Kimberleys by the North-West Division of the Agricultural Department have proved that first quality export beef can be produced under natural range conditions in the Kimberley if cattle are paddocked and supplied with mineral supplements found to be deficient in the natural pastures.

That is most important, too. Continuing—

It has also been proved that the annual mortality in Kimberley cattle can be reduced to negligible proportions if cattle are not starved for minerals which are essential for fertility and beef production.

In my humble opinion, if the Government wishes to increase the production of cattle and improve the quality of beef in the Kimberleys, and further, to preserve what remains of natural pasture on the Kimberley stations, in justification of the large expenditure on the beef roads, it must first insist on the subdivision of these stations and the fencing of them.

The Rural and Industries Bank finances farmers in other parts of the State. I have repeatedly asked questions in this House not only of Ministers of my own Government when it was in power, but also the Ministers of this Government, in an endeavour to have established a branch of the R. & I. Bank in the Kimberleys, particularly at Wyndham. It would be a great asset in helping to finance the fencing of properties and so on. Personally I cannot see why the activities of the R. & I. Bank should be confined to the metropolitan area, to the wheatbelt area, to the goldfields, and to the south-west, while the north-west is completely neglected. After all is said and done, the Rural and Industries Bank is a Western Australian bank and belongs as much to the people in the north as to those in any other portion of the State. The people in the north are just as entitled to consideration from this bank as are others in this State.

I would now like to mention a little township known as Kununurra. I was privileged to be present there when the Rt. Honourable the Prime Minister (Sir Robert Menzies) opened the diversion dam. To use the Prime Minister's own words, Kununurra is the most important place in Australia at this time. That is what the Prime Minister said, and I could not agree more with him. I think there is a great future for that part of the State, and the opening of the dam was a very happy event indeed.

Mr. Graham: How was the tea party afterwards?

Mr. RHATIGAN: I have become accustomed to being ignored by this Government. It has happened so many times that I have become inured to it; I now overlook anything like that when it occurs. I understand, however, that in the days of past Governments, when a Minister visited an electorate he usually invited the member for the district along, irrespective of the party to which he belonged.

I can well recall an incident during the regime of the McLarty-Watts Government. The first year that Government took office I happened to be an officer attached to the Department of Native Affairs—it is now called the Department of Native Welfare. I understand the Minister for Native Welfare was again about to change the name, but had second thoughts about it. I was at Port Hedland when Sir Ross McLarty was Premier of the State; and when he visited that area he had with him the member for the district, the late Mr. Rodoreda. On another occasion I was at Derby in the course of my duties, when Sir Ross visited the district accompanied by my predecessor, the late Bob Coverley. I understand that Ministers of the Hawke Government also invited the member for the district to accompany them on visits.

My experience has been that while some Ministers give the member for district about three weeks' notice of any proposed visit, others give very little notice. I am glad to say that the Minister for Education has given me notice of his intention to open a school at Camballin, and I thank him. As you know, Mr. Speaker, we are only allowed three air fares a year, so when a Minister visits my electorate in the north I do not think it is asking too much to be included in that visit. I do not know whether the Ministers have anything to hide; and whether that is the reason for their not inviting the member for the district. But after all is said and done, we represent the people of the electorate; so why should we be ignored?

It is not for myself that I complained about the treatment that was meted out to me at Kununurra; it was because I thought it was a direct and deliberate insult to the electors of Kimberley. As a member for that district, and as a representative of the people in that electorate, I should not have been excluded from the list of dinner invitations.

There were 61 invitations issued. What am I? Was I placed 62nd on the list, or was I 162nd on the list? It is of no concern to me, personally, that my name should be omitted from the list of invitations, but it was a direct and deliberate insult to the people I represent.

Mr. W. Hegney: That is putting it mildly.

Mr. RHATIGAN: It was also an insult to the pioneers and residents who live at Wyndham. I could name quite a few people who were excluded from the list of invitations. There was a notice stuck up on the blackboard of the hotel which read, "All people are invited to Kununurra." What for? To stand outside the fence? It was a direct and deliberate insult. I do not think the Prime Minister played any part in this, because I am sure he would not sink to such low depths. It was disgusting and disgraceful.

The Deputy Premier's reply to my leader's letter indicated that he appeared to be worried about the fact that there were so many Cabinet Ministers left in Perth who could not attend the function. What precedence have they over me? As I have already said, I could not care less about the dinner or anything like that; it is only the treatment that was meted out to the people of the district that concerns me. I have here a booklet which indicates that I was only included on one tour. I am sure members will agree that is hitting below the belt. All necessary facilities are available at Kununurra. The Government has provided everything, including class distinction, at the Ord River club.

A most important and vital aspect in any township, whether it be new or old, is a school. That has been left to the

last. I have here a letter from the Minister for Education dated the 16th August, 1963, which indicates that the Government has made a decision. I am very glad of that. The letter is addressed to me, and reads—

I am pleased to inform you that on the 9th August approval was given to the letting of a contract to Mr. A. Zampedri of 31 Walpole Avenue, St. James' Park, for the erection of a school at Kununurra, at a cost of £38,421.

The letter does not say when this school is going to be completed; nor does it give any other necessary details. I have a further letter from the Parents & Citizens' Association of Kununurra dated the 16th April, 1963, which reads—

The Hon. Mr. Rhatigan, M.L.A.,  
Parliament House,  
Perth, W.A.

Dear Sir,

I have been instructed by my Committee to write to you concerning the proposed Kununurra new school, and request your assistance in pressing for an early completion date.

The Department of Education have advised that tenders for the new building will be called approximately mid May. This news, after earlier advice that the school would be ready for this year, and later advice that it would be completed late this year. It now does not appear that it will be ready for the opening of next year.

Attached is a copy of a letter that has been forwarded to the Director, Department of Education. It would be appreciated if you could lend weight to our requests and any advice or information you could offer would be appreciated.

Mr. Lewis: I think you have been advised it will be ready.

Mr. RHATIGAN: Yes, but the Minister takes so long to provide these necessary things.

Mr. Lewis: We do not build the schools.

Mr. RHATIGAN: The Minister represents the Government. I point out to him that everything possible has been provided for Kununurra, including class distinction and a club, but the very essential matter—the school—comes last.

Mr. Lewis: The Education Department has provided money for the school, but it does not build it.

Mr. RHATIGAN: Should not a school be built before a club? A matter of vital importance is the education of the children.

Mr. Lewis: I had nothing to do with the building of the club.

Mr. Graham: But your Government had.

Mr. RHATIGAN: The Government was concerned with the building of the club.

The SPEAKER (Mr. Hearman): Order! The honourable member had better address his remarks to the Chair.

Mr. Court: There has been a school all the time at the research station.

Mr. RHATIGAN: For the information of the Minister I shall read this letter which was sent by the Parents and Citizens' Association of Kununurra to the Director of Education. It is dated the 16th April, 1963, and reads as follows:—

#### PROPOSED KUNUNURRA SCHOOL

I have been instructed by my Committee to write to you, to make a strong protest against the delays in erecting the proposed Kununurra school, and to request that all effort be made to have this school ready for use before the next hot season starts in September.

There are now some 49 children at the Kimberley Research School, all cramped into one room and a verandah. Shade temperatures on this verandah, until a few days ago, reached a maximum above 100°F. each day; surely trying conditions for children and teachers to work in.

The playground conditions are impossible and facilities nil. During the lunch hour, while the teachers are away, the children are not allowed on the verandah to have their lunch, and have to find some small shade patch in the area. In actual fact the verandah would not be of much use to them as it is taken up with seating and desks.

There does not appear to be any reduction in numbers of children attending the school this or next year, and in actual fact the numbers will increase from now on. In fact it is not too early to consider additions to the two-roomed school you are now proposing to build. My Committee would not like to see a repetition of existing conditions.

It would be appreciated if you could advise this Association of some firm dates for construction, and let us have assurances that all effort will be made to have the new school built as early as possible and thus alleviate the children of the existing miserable conditions.

What I am pointing out is that the Government has provided everything else in Kununurra, but the very important thing—the school—has been placed last.

Mr. Lewis: Never mind! You will get the school soon. Better late than never.

Mr. RHATIGAN: At long last the Minister is providing it.

Mr. Lewis: You have been told it will be ready for the next school year.

Mr. RHATIGAN: I was not informed of that in the Minister's letter; all I have been told is that the contract has been let. I want to remind the Minister that it took 18 months to complete the Wyndham School, and contractors shift from one job to another.

The SPEAKER (Mr. Hearman): Order! The honourable member had better address his remarks to the Chair.

Mr. RHATIGAN: Suffice it for me to say that the most important essential has been left to the last in the township of Kununurra.

I understand that a Bill is to be introduced during this session for the purpose of extending the pastoral leases. This is a matter in which I am very interested and vitally concerned. I do not intend to delve into this subject tonight, except to say that I have before me a copy of a letter from Mr. Horrie Miller, of Broome, which I will quote when the Bill is introduced.

I ask the Government to give consideration to delaying the passage of that legislation—which it can do with its vital majority of one in this House—and to postpone it after the introduction of the second reading, so that the members representing the districts in which the pastoral properties are located—they include the member for Murchison and my colleagues representing northern electorates—can consult the lessees, and obtain their constructive advice on the legislation.

If the report of the committee is adopted it will mean the extension of the leases for 50 years, and there will not be any land available for lease by the Government during that period. This matter should not be treated on a party-political basis; it is one deserving of consideration by all, and should receive lengthy thought and debate in this House.

In respect of a number of properties in my electorate there are absentee leaseholders. Members may think this is my pet hobby, but at least I believe in fairness. This is a very vital matter not only to Western Australia, but to the whole of Australia, because ultimately the Kimberley will become, in my opinion, one of the food bowls of the world. I have quite an amount of material before me dealing with this subject, but I shall refer to it at a later date. I sincerely request the Premier to give serious consideration to my proposal that, after the introduction of the second reading of the Bill, further action on it be postponed until the next session of Parliament, in order that deep thought can be given to the matter before it is dealt with further.

Debate adjourned, on motion by Mr. Graham.

*House adjourned at 10.38 p.m.*